DISCLOSURE MATERIALS

FOREST RIDGE CONDOMINIUMS OF SAUKVILLE

Saukville, Ozaukee County, Wisconsin

The Developer (Declarant) is JBJDEVELOP, L.P.. Its business address is W178N9912 Rivercrest Drive, Suite 101; Germantown, WI 53022.

THESE ARE THE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILITIES AS A CONDOMINIUM OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISION CONTAINED IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.

THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW, MAY BE RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.

YOU MAY AT ANY TIME WITHIN 5 BUSINESS DAYS FOLLOWING RECEIPT OF THESE DOCUMENTS, OR FOLLOWING NOTICE OF ANY MATERIAL CHANGES IN THESE DOCUMENTS, CANCEL IN WRITING THE CONTRACT OF SALE AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE.

In compliance with the Disclosure Requirements of Section 703.33, <u>Wis. Stats.</u> (1999-2000) as amended, copies of the following are herewith supplied:

- 1. <u>DECLARATION OF CONDOMINIUM OWNERSHIP</u>. The Declaration established and describes the condominium, the units and the common areas. The Declaration begins on Page A-1, Table of Contents page iii, iv, v and vi.
- 2. <u>BY-LAWS</u>. The By-Laws contain rules which govern the condominium and affect the rights and responsibilities of unit owners. The By-Laws begin on Page B-1.
- 3. <u>ARTICLES OF INCORPORATION</u>. The operation of the condominium is governed by the Association, of which each unit is a member. Powers, duties, and operation of an association are specified in its Articles of Incorporation. The Articles of Incorporation being on Page C-1.
- 4. <u>MANAGEMENT AND EMPLOYMENT CONTRACTS</u>. Certain services are provided to the condominium through contracts with individuals or private firms. There is such, a contract affecting this condominium at this time and which pertains to the maintenance of the meadow plantings in the wetland and storm water treatment areas as offered by Cedarburg Science, LLC. A copy of this maintenance proposal begins on Page E-1.
- 5. <u>ANNUAL OPERATING BUDGET</u>. The Association will incur expenses for the operation of the condominium which are assessed to the unit owners. The operating budget is an estimate of those charges which are in addition to mortgage and utility payments (other than those which are a part of the common expense). At this point the Association supplies a Projected Operating Budget. A more detailed and more accurate budget may be supplied as time progresses. The budget begins on Page D-1.
- 6. <u>LEASES</u>. Units in some condominiums are sold subject to one or more leases of property or facilities which are not a part of the condominium. This is not the case with this Condominium.
- 7. <u>FLOOR PLANS AND MAPS</u>. Declarant has provided a floor plan of the units being offered for sale and a map of the condominium which shows the location of a unit which you are considering and all facilities and common areas which are part of the condominium. The floor plan and map begin on page A-28 as Exhibit B.

<u>DECLARATION OF CONDOMINIUM OWNERSHIP</u>

$\underline{\mathbf{OF}}$

FOREST RIDGE CONDOMINIUMS OF SAUKVILLE Saukville, Ozaukee County, Wisconsin

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DECLARATION OF CONDOMINIUM OWNERSHIP AND OF EASEMENTS. RESTRICTIONS, COVENANTS

CONDITIONS FOR FOREST RIDGE CONDOMINIUMS OF SAUKVILLE

FOREST RIDGE CONDOMINIUMS OF SAUKVILLE Saukville, Ozaukee County, WI

THIS DECLARATION, made this 23rd day of February, 2004, by JBJDevelop, L.P. (hereinafter referred to as the "DEVELOPER/ DECLARANT").

WHEREAS, DECLARANT is the owner in fee simple of certain real estate hereinafter described herein; located in the Village of Saukville, Ozaukee County, Wisconsin (hereinafter referred to as "Subject Property"); and

WHEREAS, DECLARANT intends to, and does hereby submit and subject the Subject Property, together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anyway pertaining thereto, to all

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Return To:

Richard A. Rechlicz, Esq. Ladewig, Rechlicz & Iggens N88 W15125 Main Street Menomonee Falls, WI 53051

provisions of the Wisconsin Condominium Ownership Act, Chapter 703, Wis. Stats. (1999-2000) as amended; and

11-035-14-603.00%

WHEREAS, DECLARANT desires to establish certain rights, conditions, restrictions, covenants and easements in, over and upon the Subject Property for the benefit of DECLARANT and all future owners of any part of the Subject Property, and any unit or units thereof or therein contained, and to provide for the harmonious, beneficial and proper use and conduct of the Subject Property and all units; and

WHEREAS, DECLARANT desires and intends that the several unit owners, mortgagees, occupants and other persons hereafter acquiring any interest in the Subject Property shall at all times enjoy the benefits of, and shall hold their interests subject to, the rights, conditions, restrictions, covenants and easements hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of the Subject Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Subject Property.

NOW, THEREFORE, Declarant, as the title holder of the Subject Property and described in this Declaration, and for the purposes above set forth, (i) submits the Subject Property and buildings to the condominium form and use and ownership as provided in the Act, subject to taxes and assessments not yet due and payable, municipal and zoning ordinances, recorded easements and all other matters of record; (ii) establishes and imposes the following provisions, conditions, restrictions and uses to which the condominium may be put, and (iii) specifies that the provisions of this Declaration shall constitute covenants to run with the land and shall be binding upon DECLARANT, its successors and assigns and all subsequent owners and occupants of all or any part of the condominium, and further DECLARES AS FOLLOWS:

ARTICLE I DEFINITIONS AND LEGAL DESCRIPTION OF LAND

Section 1. LEGAL DESCRIPTION OF LAND: The Subject Property which is hereby submitted and subjected to the provisions of the Condominium Ownership Act, Chapter 703, Wis. Stats. (1987-88) as amended, is legally described as follows:

Lot 2 of Certified Survey Map No. 3380 as recorded September 18, 2002 at 10:15 a.m. in the Office of the Register of Deeds in and for Ozaukee County, Wisconsin in Volume 24 of Certified Survey Maps on page 11 as Document No. 721604, and being part of the Government Lots 3 and 4 of the Southeast Quarter of Section 35, Township11 North., Range 21East, Village of Saukville, Ozaukee County, Wisconsin.

Tax Key No. 11-040-0005-000

A survey of the Subject Property, showing the boundaries of the Condominium, is contained in the FOREST RIDGE CONDOMINIUMS OF SAUKVILLE PLAT (The "Condominium Plat," attached hereto and marked Exhibit A.)

The Subject Property and all improvements thereon and appurtenances thereto shall be known as FOREST RIDGE CONDOMINIUMS OF SAUKVILLE.

Section 2. DEFINITIONS: For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

- (a) "ASSOCIATION" shall mean and refer to FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC., a corporation formed under the nonstock corporation statute, Chapter 181, <u>Wis. Stats.</u> (1999-2000) as amended, its successors and assigns.
- (b) "COMMON ELEMENTS" shall mean and refer, unless otherwise provided in this Declaration or amendments thereto, to the common areas and facilities consisting of the land and the entire premises described in this Declaration, excepting the Units and excepting and subject to any structures built or improvements installed by or for public utilities.
- (c) "DECLARANT" shall mean and refer to JBJDevelop, L.P. and its successors and assigns. Declarant may also be referred to as the Developer.
- (d) "EXPANDABLE CONDOMINIUM" shall mean a condominium to which additional property or units or both may be added in accordance with the provisions of this Declaration and Chapter 703 Wis. Stats. This condominium project is not expandable.
- (e) "LIMITED COMMON ELEMENTS AND RESTRICTED COMMON ELEMENTS" shall refer to those common elements identified herein as reserved for the exclusive use of one or more, but less than all, of the Unit Owners.
- (f) "MAJORITY" shall mean the Condominium Unit Owners with more than fifty percent (50%) of the votes assigned the Units in this Declaration.
- (g) "MORTGAGE" shall mean any Mortgage or other security instrument by which a Unit or any part thereof is encumbered.
- (h) "MORTGAGEE" shall mean any person named as the Mortgagee under any Mortgage under which the interest of any Owner is encumbered, or any land contract vendor of any Unit, or any successor to the interest of such person under such Mortgage or such land contract.

- (i) "OCCUPANT" shall mean a person, as herein defined, in lawful possession of a Unit, as herein defined, other than the Unit Owner, as herein defined, of such Unit.
- (j) "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit, including the holder of an equitable interest as a Land Contract Vendee, but excluding those having such interest merely as security for the performance of an obligation.
- (k) "PERCENTAGE INTERESTS" shall refer to the appurtenant, undivided interest of Unit Ownership, as herein defined, in the Common Elements, as herein defined, expressed as a percentage and calculated by dividing (a) the number "one" (1) by (b) the total number of Units, as herein defined, in the Condominium. For purposes of this Declaration, the percentage interest of all Unit Owners will be equal.
- (l) "PERSON" shall refer to an individual, corporation, partnership, association, trust or other legal entity.
- (m) "UNIT" shall mean and refer to a part of the property subject to the Declaration, consisting of one (1) or more cubicles of air at one (1) or more levels of space or one (1) or more rooms or enclosed spaces located in one (1) or more floors (or parts thereof) in a building and bounded along such boundaries as shown on the building and floor plans attached hereto as Exhibit A, together with all facilities and improvements therein contained, excluding the land underneath same.
- (n) "UNIT IDENTIFICATION" shall mean that each Unit has a street address, a real estate tax key number, and a unit identification number, which shall be legally sufficient for all conveyance purposes. Said Unit information is set forth herein and on the Condominium Plat.
- (o) "UNIT OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit, including the holder of an equitable interest as a Land Contract Vendee, but excluding those having such interest merely as security for the performance of an obligation.
- (p) "UNIT OWNER IMPROVEMENTS" shall mean any Improvements located within a Unit, except utility lines and facilities.
- (q) "VOTING MEMBER" shall refer to the one person with respect to each Unit Ownership entitled to vote at any meeting of the Unit Owners.

ARTICLE II PROPERTY AND UNITS: SUBMISSION TO ACT

Section 1. SUBMISSION OF PROPERTY TO THE ACT: Declarant hereby submits the Subject Property described herein and all buildings and improvements constructed or to be constructed thereon to the provisions of said Condominium Ownership Act (the "ACT"), pursuant to Chapter 703, Wis. Stats. (1999-2000) as amended.

Section 2. CONDOMINIUM IDENTIFICATION: Each Unit is designated by a Unit Number consisting of 2 numerals, the first of which is the Building Number in which the Unit is located, and the second of which is the number of the Unit within said Building. The Building numbers and Unit numbers are set forth on the Condominium Platas set forth in Exhibit A which is attached hereto and made a part of this Declaration. The street addresses of the Units are as follows:

BUILDING AND UNIT NUMBER	UNIT NUMBER	ADDRESS OF UNIT
Building 6, Unit 1	61	102 Forest Ridge Court
Building 6, Unit 2	62	104 Forest Ridge Court
Building 6, Unit 3	63	106 Forest Ridge Court
Building 6, Unit 4	64	108 Forest Ridge Court
Building 6, Unit 5	65	110 Forest Ridge Court
Building 6, Unit 6	66	112 Forest Ridge Court
Building 5, Unit 1	51	202 Forest Ridge Court
Building 5, Unit 2	52	204 Forest Ridge Court
Building 5, Unit 3	53	206 Forest Ridge Court
Building 5, Unit 4	54	208 Forest Ridge Court
Building 5, Unit 5	55	210 Forest Ridge Court
Building 5, Unit 6	56	212 Forest Ridge Court
Building 4, Unit 1	41	302 Forest Ridge Court
Building 4, Unit 2	42	304 Forest Ridge Court
Building 4, Unit 3	43	306 Forest Ridge Court
Building 4, Unit 4	44	308 Forest Ridge Court
Building 4, Unit 5	45	310 Forest Ridge Court
Building 4, Unit 6	46	312 Forest Ridge Court
Building 3, Unit 1	31	402 Forest Ridge Court
Building 3, Unit 2	32	404 Forest Ridge Court
Building 3, Unit 3	33	406 Forest Ridge Court
Building 3, Unit 4	34	408 Forest Ridge Court
Building 2, Unit 1	21	502 Forest Ridge Court
Building 2, Unit 2	22	504 Forest Ridge Court
Building 2, Unit 3	23	506 Forest Ridge Court
Building 2, Unit 4	24	508 Forest Ridge Court
Building 1, Unit 1	11	602 Forest Ridge Court

Building 1, Unit 2	12	604 Forest Ridge Court
Building 1, Unit 3	13	606 Forest Ridge Court
Building 1, Unit 4	14	608 Forest Ridge Court
		B- 50000

As provided in the Act, every deed, lease, mortgage or other instrument may legally describe a Unit by its Unit Number and every such description shall be deemed good and sufficient for all purposes.

- Section 3. DESCRIPTION AND LOCATION OF UNITS: (a) The Condominium, when completed, shall contain three (3 buildings with 4 Units in each building and three (3) buildings with six (6) Units in each building. Complete construction details are contained in the working plans and drawings available for inspection at the office of Declarant. The location, designation of each Unit and the immediate Common Elements and Limited Common Elements to which each Unit has access, are shown on the Condominium Plat in Exhibit A. The approximate area and number of rooms of each Unit are shown in the Floor Plans in Exhibit B.
- (b) The buildings are constructed principally of masonry foundation, 2x6 wood construction with brick and aluminum exterior and has a thirty (30) year asphalt shingle roof. Each Unit will contain central-forced air gas heat, central air conditioning, and electric hot water heater. Electricity, 100 volt AMP service, shall be provided to each Unit on separate meters and shall be paid for individually by each Unit Owner. Water and sewer service shall be provided to each Unit on separate meters and shall be paid for individually by each Unit Owner.

All Units are comparable in style and quality.

(c) Each Unit shall include a two (2) car-attached garage.

Section 4. BOUNDARIES OF UNITS: The boundaries of each Unit shall consist of that part of the cubic area of the building which is enclosed as follows:

- (a) The vertical boundaries of each Unit shall be the vertical plane of the walls bounding a Unit, the face of which coincides with the face of the wall studs, or, in the case of foundation walls, the face of the masonry foundation walls. The lower horizontal boundary of a Unit shall be the plane of the upper surfaces of the base floor of the lowest level of the Unit, and the upper horizontal boundary shall be the plane of the under surface of the joists supporting the ceiling of the highest level of the Unit.
- (b) All windows, window frames, and doors (including garage doors), including all glass and all screens in all windows and doors, shall be considered a part of the Unit. All attic space accessible exclusively from one Unit shall be considered part of that Unit. All installations for providing power, light, gas, hot and cold water, heating, refrigeration and air conditioning exclusively to one Unit shall be considered a part of that Unit. All plaster, drywall, wallpaper, interior paint, carpet, carpet pad, vinyl flooring, finished wood flooring, crown and base moldings, and similar interior finishing and decorating shall be considered part of the Unit.
- (c) Plumbing and electrical fixtures serving a particular Unit, but not the Building generally, whether located within the Unit or the Common Areas of the Building, shall be maintained and repaired by and at the expense of the Owner of that particular Unit. Any changes in the heating or air-conditioning system servicing a particular Unit shall be made at the expense of the Unit Owner.

- (d) All installations for providing power, light, gas, hot and cold water, heating, refrigeration and air conditioning exclusively to one Unit shall be considered a part of that Unit. Any utility lines and plumbing equipment located outside of Units, and any utility lines and plumbing equipment contained inside the boundaries of a particular Unit but which service a different Unit, are common elements and shall be repaired and maintained by and at the expense of the FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC. (the "Association"), except as otherwise provided in this Declaration or the By-Laws of the Association. The furnace, water heater and air-conditioning system for each Unit are part of the respective Unit serviced by said items and shall be repaired and maintained by and at the expense of the Owner of said Unit.
- (e) A Unit Owner may make improvements or alterations within the Unit which do not affect in any manner the Common Elements of the Condominium provided that such work is performed and all contracts for such work are in compliance with this Declaration and the rules established by the Association. No alteration or improvement to the Unit which would affect the Common Elements may be made by any Unit Owner without prior written consent of the Association notwithstanding the provisions of Section 703.13(5)(a) of the Act. The conditions for consent shall include, but not be limited to, proper insurance coverages, indemnification from claims for injury to person or property, waivers or indemnification against construction liens and approval by an architect approved by the Association insofar as the work affects Common Elements.

Section 5. INTERPRETATION OF PLANS: If any portion of the Common or Limited Common Elements shall encroach upon any Unit, or if any Unit shall encroach upon any other Unit or upon any portion of the Common or Limited Common Elements as a result of the duly authorized construction, reconstruction or repair of a building, or as a result of settling or shifting of a building, a valid easement for the encroachment and for its maintenance shall exist so long as the building stands. The existing physical boundaries of a Unit or Common Elements constructed or reconstructed in substantial conformity with the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of the settling or shifting of the building and regardless of minor variations between the physical boundaries described in this Declaration or shown on the Condominium Plat and the existing physical boundaries of any such Unit or Common Element.

Section 6. MODIFICATION OF PLANS: Declarant reserves the right to change, without the approval of the Unit Owners or the Condominium Association, the layout, location, dimensions and construction details of the building, Unit and Common and Limited Common Elements shown on the Condominium Plat which are not yet constructed, provided that such changes shall not substantially alter the nature and quality of the buildings and Unit, and subject to the following:

- (a) Notwithstanding the above, Declarant reserves the right to change the number, size and dimension of the buildings in which condominium Units are to be constructed as presently shown on the Condominium Plat, to larger or small residential building sizes, at its sole discretion, providing that no more than thirty (30) units shall be constructed.
- (b) Declarant reserves the right to increase or decrease the square footage of any Unit and/or building, including but not limited to the right to increase or decrease the square footage of land area occupied by said buildings.
- (c) Such changes in the size of a building, the number of buildings, the number of Units in a building, and/or the size of any Units shall not increase the total number of Units as set forth in this Declaration from thirty (30) Units.
- (d) In the event of any changes, Declarant shall record, from time to time and as required, an Addendum to the Plat of this condominium development showing the changes, including location, size and dimensions of said buildings and units with the appropriate designations thereof.

Section 7. CONSTRUCTION IN PHASES: This condominium project will not be built at the same time, but rather in phases. It is the intent of Declarant to construct the residential condominium units in stages. The number and stages and start up and completion dates for said construction of the residential condominium units are within the sole discretion of Declarant.

ARTICLE III COMMON ELEMENTS

Section 1. DESCRIPTION OF COMMONELEMENTS: The Common Elements shall consist of all areas except Units, and by way of explanation shall include:

- (a) The land described in this Declaration;
- (b) The private driveways, parking area and walkways located on the land;
- (c) Wetlands and lawn areas designated on the Condominium Plat (Exhibit A);
- (d) All other parts of the property necessary or convenient to its existence, maintenance and safety, are normally common use;
- (e) The foundations, columns, girders, beams, overhangs, supports, main walls and roofs of the buildings;
- (f) Areas set aside for storage of maintenance equipment;
- (g) Installations for providing central services such as power, light, gas heating and cold water,
- (h) Sanitary disposal system, including, but not limited to, tanks and sanitary pumps, sewer lines, water lines, controls, fans, compressors, ducts and, in general, all apparatus and installations intended for common use;
- (i) or wells

Section 2. OWNERSHIP OF COMMON ELEMENTS: (a) Each Unit Owner shall be entitled to (i) ingress and egress over, upon and across the common area necessary for access to said Unit Owner's Unit; (ii) own an undivided interest in the Common Elements as a tenant-in-common with all other Unit Owners of the property, and (iii) except as otherwise limited in this Declaration, have the right to use the Common Elements for all purposes incident to the use and occupancy of such Owner's Unit as allowed by law and as permitted by this Declaration, which right shall be appurtenant to and run with such Unit. Except as otherwise provided in this Declaration or the By-Laws of the Association, the Common Elements shall be operated, repaired and maintained by and at the expense of the Association.

- (b) Each Unit's fractional (also known as its percentage of ownership) ownership in the Common Elements shall be 1/30th.
- (c) The percentage of ownership in the Common Elements shall be subject to such easements as have been granted or may hereafter be granted to the Village of Saukville or to public utilities.

Section 3. USE OF THE COMMON ELEMENTS. Subject to the exclusive rights of each Unit Owner to the use and enjoyment of the Unit owned, each Unit Owner shall have the right to the use and enjoyment of the Common Elements in common with all other Unit Owners. The use of the Common Elements and the rights of the Unit Owners with respect thereto shall be subject to and governed by the provisions of the Act, this Declaration and any Association Rules and Regulations.

Section 4. LIMITATION ON USE OF COMMON ELEMENTS: Notwithstanding anything to the contrary set forth in this Declaration, the use of the Common Elements shall be restricted to those Unit Owners who are also possessors or residents of the Units. A possessor or resident of the Unit shall refer to either the Tenant having possession of the Unit by virtue of a Lease with the Unit Owner or the Unit Owner occupying and possessing the Unit as said Unit Owner's residence. Specifically, Unit Owners having title or ownership in a Unit for purposes other than as said Unit Owner's primary residence are prohibited from any use of the Common

Elements. Further, any Unit Owner granting possession of said Unit Owner's Unit to another person or persons forfeits the right to use the Common Elements at all times during the period of time said other person or persons shall have possession of said Unit.

Section 5. EASEMENTS FOR USE OF COMMON AREAS: (a) Each Unit Owners shall have a valid, exclusive easement to the space between the interior and exterior walls of said Unit Owner's Unit for purposes of adding additional utility outlets, wall hangings, erection of non-bearing partition walls, and the like, where space between walls may be necessary for such uses, provided that the Unit Owner shall do nothing to impair the structural integrity of any of the buildings, and provided further that the common element and facilities be restored to their former condition by the Unit Owner at Unit Owner's sole expense upon completion or termination of the use requiring the easement. Easements are hereby granted and declared for the benefit of the Unit Owners and the Association for the installation, maintenance and repair of common utility services located in and/or any part of the common elements or Units.

(b) There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written consent of the Association except as specifically provided herein. No owner or possessor shall cause to be stored at the premises, any substance defined as a "Hazardous Substance" as defined or designated under Sec. 311 or 307(a) of the Federal Clean Water Act, Superfund Sec. 102, the Federal Resources Conservation and Recovery Act, Sec. 112 of the Federal Clean Air Act and Section 7 of the Federal Toxic Substance Control Act, or any amendments or additions thereto. Nothing shall be altered on, constructed or removed from the Common Elements except upon the prior written consent of the Association. No garbage or rubbish containers shall be placed or kept in any Common Elements, other than those areas designated by the Association therefore. No clothes line shall be maintained on the Common Elements, and said Common Elements shall not be used for hanging of clothes, rugs or other articles.

Section 6. MAINTENANCE OF COMMON ELEMENTS. Except for the Units and Unit Owner Improvements thereon which shall be the responsibility of each Unit Owner, the management, repair, alteration and improvement of the Common Elements and the Landscape Areas shall be the responsibility of the Association. Each Unit Owner shall pay, as an assessment, a share of the common expenses for maintenance, repair, replacement, administration and operation of the Common Elements and Landscape Areas in the same proportion as the Unit Owner's Percentage Interests. Payment thereof shall be in such amount and at such time as may be established in this Declaration. If a Unit Owner fails to pay such assessment when due, the amount thereof shall constitute a lien on the respective Unit as herein provided.

Section 7. NO SEVERANCE OF UNIT OWNERSHIP. No Unit Owner may sell, convey or transfer any legal or equitable interest in said Owner's Unit without including the percentage of ownership interest in the Common and Limited Common Elements and facilities and in all assets and liabilities of the Association appurtenant to said Unit; and any deed, mortgage or other instrument purporting to affect one or more of such interests, without including them all, shall be deemed to include all such rights, title, interests and obligations of the Unit Owner.

Section 8. NO PARTITION OF COMMON ELEMENTS: There shall be no partition of Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the property is withdrawn from its terms or from the terms of any statute applicable to condominium ownership; provided, however, that if any Unit shall be owned by two or more co-owners as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prohibit a voluntary or judicial partition of said Unit ownership between such co-owners.

ARTICLE IV LIMITED COMMON ELEMENTS

Section 1. DESCRIPTIONOF LIMITED COMMONELEMENTS AND FACILITIES: A portion of the Common Elements and facilities, designated as "Limited Common Elements and Facilities," are designated on the Condominium Plat and service and/or are appurtenant to one and only one Unit, whether or not specifically designated as such on said Condominium Plat. The exclusive use of said Limited Common Elements shall be reserved the Owner or occupant of the Unit to which they are appurtenant, to the exclusion of all other Units and Unit Owners in the condominium. These are the areas immediately in front of garages, patios and decks, balconies, driveways and walkways which service one Unit. Each Unit Owner shall be entitled to the exclusive use and possession of these Limited Common Elements, direct access to which is provided for said Unit Owner's respective Unit, and which is located outside of and adjoining said Unit Owner's respective Unit.

Section 2. PATIOS, DECKS AND PORCHES: All patios, decks and porches, including but not limited to those covered with a roof or awning and/or enclosed with windows and/or screens, are Limited Common Elements appurtenant to the Unit to which same are attached. Declarant has the express right to construct patios, decks and/or porches, including but not limited to those covered with a roof or awning and/or enclosed with windows and/or screens, at the time of initial construction or any Unit. After the sale of a Unit by Declarant, or the completion of construction of a Unit, whichever is later, the Unit Owner may, if approved by the Association, in the Association's sole discretion, and subject to such approvals and permits as may be required by the municipality in which the condominium is located, add one or more patios, decks and/or porches, including but not limited to those covered with a roof or awning and/or enclosed with windows and/or screens. Any such patio, deck and/or porch added by a Unit Owner shall be located in the side and/or rear year of the Unit. No patio, deck or porch shall be added by any Unit Owner without the approval required pursuant to this Declaration. The Unit Owner shall be solely responsible for all costs of maintaining and repairing all patios, decks and porches appurtenant to such Unit, including any roof or awning covering same, and including any windows or screens enclosing same. A Unit Owner adding a deck, patio and/or porch shall reimburse the Association, upon demand, for all costs and expenses incurred by the Association relating such addition, and/or the approval thereof, including but not limited to the cost of preparing and recording an addendum to the Condominium Plat showing such addition, and, if applicable, Architect's and engineer's fees. Any such costs and expenses not timely paid shall constitute a special assessment against such unit, whether or not the Unit Owner actually proceeds with the construction of the addition

Section 3. USE. The manner of use of the Limited Common Elements shall be governed by this Declaration, the By-Laws of the Association, and such rules and regulations as may be established by the Association. No Unit Owner shall alter, remove, repair, paint, decorate, landscape or adorn any limited common element, or permit such, in any manner contrary to this Declaration, the By-Laws and/or the rules and regulations. No major or structural changes or alterations shall be made by any Unit Owner to any of the Limited Common Elements without the prior written approval of the Association, which approval may be given or denied upon such terms and conditions as the Association deems appropriate. Patios, terraces, decks or balconies shall not be used for any storage of any kind, including, but not limited to, the storage of motorcycles, baby carriages, bicycles or wagons, nor shall patios, terraces, decks or balconies be used for the drying or airing of laundry, carpets, rugs or clothing. Furthermore, no grills shall be used or stored on patios, terraces, decks or balconies, unless they are of a type using a cover in place while in use. No clotheslines shall be hung in Common or Limited Common Elements.

Section 4. CONVEYANCE OF LIMITED COMMONELEMENTS: No Unit Owner shall convey or lease said Unit Owner's right to use any Limited Common Element pertinent to said Unit Owner's Unit to any other Unit Owner unless coupled with the conveyance of the Unit.

ARTICLE V OTHER PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

Section 1. USE OF UNITS BY DECLARANT. Until such time as Declarant has sold all of its Units in the condominium, Declarant shall have the right to use any or all unsold Units, and any portion of the common elements as may be necessary to expedite the sale of Units, including but not limited to the maintaining of a sales office, the maintaining of one or more model Units, the holding of open houses and the erecting of signs. The use of a Unit is further subject to the following:

- (i) Declarant may lease a Unit on such terms and conditions as it desires in its sole discretion, but after a Unit has been conveyed by Declarant to an Owner, said Unit may be leased provided said Lease shall (1) be in writing signed by the Unit Owner and (2) be for a term of not less than twelve (12) months and (3) specifically obligate the tenant to abide by the terms and conditions of the Declaration, By-Laws and all rules and regulations of the Association. Any person occupying a Unit with the authority of an Owner shall comply with all of the restrictions, covenants and conditions imposed on an Owner. If a Unit is leased as aforesaid, the Owner of such Unit shall notify the Association of the tenant's or tenant's name or names and telephone number, and such Owner shall notify the Association prior thereto of said Unit Owner's forwarding address and of a telephone number where said Unit Owner can be reached. Any such lease shall not relieve a Unit Owner from any obligation imposed by the Act, this Declaration, the By-Laws or Articles of Incorporation of the Association, and/or rules and regulations adopted pursuant thereto, including but not limited to the duty to pay common expenses. The rental of Units is further subject to such further conditions and restrictions as may be set forth in the By-Laws and/or rules and regulations of the Association.
- (ii) A Unit shall not be rented for transient or hotel purposes, which shall be defined as: (i) any rental for periods of less than thirty (30) days; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverage, maid service, bellboy service or laundry service.
- (iii) No sign of any kind shall be displayed to the public view on or from any Unit or Common Elements, without the prior consent of the Association. The Association may establish rules and regulations for the size and placement of "For Sale" and "For Rent" signs. This provision shall not prohibit Declarant from erecting signs to expedite the sale of its Units.
 - (iv) Temporary structures, such as sheds or other storage facilities, are prohibited on Common Elements.
- (v) No maintenance or lubrication of any vehicle shall be permitted anywhere on the Common or Limited Common Elements.
- (vi) No rummage or garage type sales shall be conducted in or about any Unit on more than four (4) calendar days in any calendar year.

Section 2. PETS: (a) Animals and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or in any of the Common Elements, except that two (2) dogs, two (2) cats, or a combination of both, one (1) bird and fish may be kept as household pets by Unit Owners, provided they are not kept or maintained for commercial breeding purposes, and are kept subject to rules and regulations set forth below and such other rules and regulations which may be adopted, from time to time, by the Association

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DECLARATION OF CONDOMINIUM OWNERSHIP AND OF EASEMENTS. RESTRICTIONS, COVENANTS

CONDITIONS FOR FOREST RIDGE CONDOMINIUMS OF SAUKVILLE

FOREST RIDGE CONDOMINIUMS OF SAUKVILLE Saukville, Ozaukee County, WI

THIS DECLARATION, made this 23rd day of February, 2004, by JBJDevelop, L.P. (hereinafter referred to as the "DEVELOPER/ DECLARANT").

WHEREAS, DECLARANT is the owner in fee simple of certain real estate hereinafter described herein; located in the Village of Saukville, Ozaukee County, Wisconsin (hereinafter referred to as "Subject Property"); and

WHEREAS, DECLARANT intends to, and does hereby submit and subject the Subject Property, together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anyway pertaining thereto, to all

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Return To:

Richard A. Rechlicz, Esq. Ladewig, Rechlicz & Iggens N88 W15125 Main Street

Menomonee Falls, WI 53051

provisions of the Wisconsin Condominium Ownership Act, Chapter 703, Wis. Stats. (1999-2000) as amended; and

11-035-14-603.00%

WHEREAS, DECLARANT desires to establish certain rights, conditions, restrictions, covenants and easements in, over and upon the Subject Property for the benefit of DECLARANT and all future owners of any part of the Subject Property, and any unit or units thereof or therein contained, and to provide for the harmonious, beneficial and proper use and conduct of the Subject Property and all units; and

WHEREAS, DECLARANT desires and intends that the several unit owners, mortgagees, occupants and other persons hereafter acquiring any interest in the Subject Property shall at all times enjoy the benefits of, and shall hold their interests subject to, the rights, conditions, restrictions, covenants and easements hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of the Subject Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Subject Property.

NOW, THEREFORE, Declarant, as the title holder of the Subject Property and described in this Declaration, and for the purposes above set forth, (i) submits the Subject Property and buildings to the condominium form and use and ownership as provided in the Act, subject to taxes and assessments not yet due and payable, municipal and zoning ordinances, recorded easements and all other matters of record; (ii) establishes and imposes the following provisions, conditions, restrictions and uses to which the condominium may be put, and (iii) specifies that the provisions of this Declaration shall constitute covenants to run with the land and shall be binding upon DECLARANT, its successors and assigns and all subsequent owners and occupants of all or any part of the condominium, and further DECLARES AS FOLLOWS:

ARTICLE I DEFINITIONS AND LEGAL DESCRIPTION OF LAND

Section 1. LEGAL DESCRIPTION OF LAND: The Subject Property which is hereby submitted and subjected to the provisions of the Condominium Ownership Act, Chapter 703, Wis. Stats. (1987-88) as amended, is legally described as follows:

Lot 2 of Certified Survey Map No. 3380 as recorded September 18, 2002 at 10:15 a.m. in the Office of the Register of Deeds in and for Ozaukee County, Wisconsin in Volume 24 of Certified Survey Maps on page 11 as Document No. 721604, and being part of the Government Lots 3 and 4 of the Southeast Quarter of Section 35, Township11 North., Range 21East, Village of Saukville, Ozaukee County, Wisconsin.

Tax Key No. 11-040-0005-000

A survey of the Subject Property, showing the boundaries of the Condominium, is contained in the FOREST RIDGE CONDOMINIUMS OF SAUKVILLE PLAT (The "Condominium Plat," attached hereto and marked Exhibit A.)

The Subject Property and all improvements thereon and appurtenances thereto shall be known as FOREST RIDGE CONDOMINIUMS OF SAUKVILLE.

Section 2. DEFINITIONS: For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

- (a) "ASSOCIATION" shall mean and refer to FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC., a corporation formed under the nonstock corporation statute, Chapter 181, <u>Wis. Stats.</u> (1999-2000) as amended, its successors and assigns.
- (b) "COMMON ELEMENTS" shall mean and refer, unless otherwise provided in this Declaration or amendments thereto, to the common areas and facilities consisting of the land and the entire premises described in this Declaration, excepting the Units and excepting and subject to any structures built or improvements installed by or for public utilities.
- (c) "DECLARANT" shall mean and refer to JBJDevelop, L.P. and its successors and assigns. Declarant may also be referred to as the Developer.
- (d) "EXPANDABLE CONDOMINIUM" shall mean a condominium to which additional property or units or both may be added in accordance with the provisions of this Declaration and Chapter 703 Wis. Stats. This condominium project is not expandable.
- (e) "LIMITED COMMON ELEMENTS AND RESTRICTED COMMON ELEMENTS" shall refer to those common elements identified herein as reserved for the exclusive use of one or more, but less than all, of the Unit Owners.
- (f) "MAJORITY" shall mean the Condominium Unit Owners with more than fifty percent (50%) of the votes assigned the Units in this Declaration.
- (g) "MORTGAGE" shall mean any Mortgage or other security instrument by which a Unit or any part thereof is encumbered.
- (h) "MORTGAGEE" shall mean any person named as the Mortgagee under any Mortgage under which the interest of any Owner is encumbered, or any land contract vendor of any Unit, or any successor to the interest of such person under such Mortgage or such land contract.

- (i) "OCCUPANT" shall mean a person, as herein defined, in lawful possession of a Unit, as herein defined, other than the Unit Owner, as herein defined, of such Unit.
- (j) "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit, including the holder of an equitable interest as a Land Contract Vendee, but excluding those having such interest merely as security for the performance of an obligation.
- (k) "PERCENTAGE INTERESTS" shall refer to the appurtenant, undivided interest of Unit Ownership, as herein defined, in the Common Elements, as herein defined, expressed as a percentage and calculated by dividing (a) the number "one" (1) by (b) the total number of Units, as herein defined, in the Condominium. For purposes of this Declaration, the percentage interest of all Unit Owners will be equal.
- (l) "PERSON" shall refer to an individual, corporation, partnership, association, trust or other legal entity.
- (m) "UNIT" shall mean and refer to a part of the property subject to the Declaration, consisting of one (1) or more cubicles of air at one (1) or more levels of space or one (1) or more rooms or enclosed spaces located in one (1) or more floors (or parts thereof) in a building and bounded along such boundaries as shown on the building and floor plans attached hereto as Exhibit A, together with all facilities and improvements therein contained, excluding the land underneath same.
- (n) "UNIT IDENTIFICATION" shall mean that each Unit has a street address, a real estate tax key number, and a unit identification number, which shall be legally sufficient for all conveyance purposes. Said Unit information is set forth herein and on the Condominium Plat.
- (o) "UNIT OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit, including the holder of an equitable interest as a Land Contract Vendee, but excluding those having such interest merely as security for the performance of an obligation.
- (p) "UNIT OWNER IMPROVEMENTS" shall mean any Improvements located within a Unit, except utility lines and facilities.
- (q) "VOTING MEMBER" shall refer to the one person with respect to each Unit Ownership entitled to vote at any meeting of the Unit Owners.

ARTICLE II PROPERTY AND UNITS: SUBMISSION TO ACT

Section 1. SUBMISSION OF PROPERTY TO THE ACT: Declarant hereby submits the Subject Property described herein and all buildings and improvements constructed or to be constructed thereon to the provisions of said Condominium Ownership Act (the "ACT"), pursuant to Chapter 703, Wis. Stats. (1999-2000) as amended.

Section 2. CONDOMINIUM IDENTIFICATION: Each Unit is designated by a Unit Number consisting of 2 numerals, the first of which is the Building Number in which the Unit is located, and the second of which is the number of the Unit within said Building. The Building numbers and Unit numbers are set forth on the Condominium Platas set forth in Exhibit A which is attached hereto and made a part of this Declaration. The street addresses of the Units are as follows:

BUILDING AND UNIT NUMBER	UNIT NUMBER	ADDRESS OF UNIT
Building 6, Unit 1	61	102 Forest Ridge Court
Building 6, Unit 2	62	104 Forest Ridge Court
Building 6, Unit 3	63	106 Forest Ridge Court
Building 6, Unit 4	64	108 Forest Ridge Court
Building 6, Unit 5	65	110 Forest Ridge Court
Building 6, Unit 6	66	112 Forest Ridge Court
Building 5, Unit 1	51	202 Forest Ridge Court
Building 5, Unit 2	52	204 Forest Ridge Court
Building 5, Unit 3	53	206 Forest Ridge Court
Building 5, Unit 4	54	208 Forest Ridge Court
Building 5, Unit 5	55	210 Forest Ridge Court
Building 5, Unit 6	56	212 Forest Ridge Court
Building 4, Unit 1	41	302 Forest Ridge Court
Building 4, Unit 2	42	304 Forest Ridge Court
Building 4, Unit 3	43	306 Forest Ridge Court
Building 4, Unit 4	44	308 Forest Ridge Court
Building 4, Unit 5	45	310 Forest Ridge Court
Building 4, Unit 6	46	312 Forest Ridge Court
Building 3, Unit 1	31	402 Forest Ridge Court
Building 3, Unit 2	32	404 Forest Ridge Court
Building 3, Unit 3	33	406 Forest Ridge Court
Building 3, Unit 4	34	408 Forest Ridge Court
Building 2, Unit 1	21	502 Forest Ridge Court
Building 2, Unit 2	22	504 Forest Ridge Court
Building 2, Unit 3	23	506 Forest Ridge Court
Building 2, Unit 4	24	508 Forest Ridge Court
Building 1, Unit 1	11	602 Forest Ridge Court

Building 1, Unit 2	12	604 Forest Ridge Court
Building 1, Unit 3	13	606 Forest Ridge Court
Building 1, Unit 4	14	608 Forest Ridge Court

As provided in the Act, every deed, lease, mortgage or other instrument may legally describe a Unit by its Unit Number and every such description shall be deemed good and sufficient for all purposes.

- Section 3. DESCRIPTION AND LOCATION OF UNITS: (a) The Condominium, when completed, shall contain three (3 buildings with 4 Units in each building and three (3) buildings with six (6) Units in each building. Complete construction details are contained in the working plans and drawings available for inspection at the office of Declarant. The location, designation of each Unit and the immediate Common Elements and Limited Common Elements to which each Unit has access, are shown on the Condominium Plat in Exhibit A. The approximate area and number of rooms of each Unit are shown in the Floor Plans in Exhibit B.
- (b) The buildings are constructed principally of masonry foundation, 2x6 wood construction with brick and aluminum exterior and has a thirty (30) year asphalt shingle roof. Each Unit will contain central-forced air gas heat, central air conditioning, and electric hot water heater. Electricity, 100 volt AMP service, shall be provided to each Unit on separate meters and shall be paid for individually by each Unit Owner. Water and sewer service shall be provided to each Unit on separate meters and shall be paid for individually by each Unit Owner.

All Units are comparable in style and quality.

(c) Each Unit shall include a two (2) car-attached garage.

Section 4. BOUNDARIES OF UNITS: The boundaries of each Unit shall consist of that part of the cubic area of the building which is enclosed as follows:

- (a) The vertical boundaries of each Unit shall be the vertical plane of the walls bounding a Unit, the face of which coincides with the face of the wall studs, or, in the case of foundation walls, the face of the masonry foundation walls. The lower horizontal boundary of a Unit shall be the plane of the upper surfaces of the base floor of the lowest level of the Unit, and the upper horizontal boundary shall be the plane of the under surface of the joists supporting the ceiling of the highest level of the Unit.
- (b) All windows, window frames, and doors (including garage doors), including all glass and all screens in all windows and doors, shall be considered a part of the Unit. All attic space accessible exclusively from one Unit shall be considered part of that Unit. All installations for providing power, light, gas, hot and cold water, heating, refrigeration and air conditioning exclusively to one Unit shall be considered a part of that Unit. All plaster, drywall, wallpaper, interior paint, carpet, carpet pad, vinyl flooring, finished wood flooring, crown and base moldings, and similar interior finishing and decorating shall be considered part of the Unit.
- (c) Plumbing and electrical fixtures serving a particular Unit, but not the Building generally, whether located within the Unit or the Common Areas of the Building, shall be maintained and repaired by and at the expense of the Owner of that particular Unit. Any changes in the heating or air-conditioning system servicing a particular Unit shall be made at the expense of the Unit Owner.

- (d) All installations for providing power, light, gas, hot and cold water, heating, refrigeration and air conditioning exclusively to one Unit shall be considered a part of that Unit. Any utility lines and plumbing equipment located outside of Units, and any utility lines and plumbing equipment contained inside the boundaries of a particular Unit but which service a different Unit, are common elements and shall be repaired and maintained by and at the expense of the FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC. (the "Association"), except as otherwise provided in this Declaration or the By-Laws of the Association. The furnace, water heater and air-conditioning system for each Unit are part of the respective Unit serviced by said items and shall be repaired and maintained by and at the expense of the Owner of said Unit.
- (e) A Unit Owner may make improvements or alterations within the Unit which do not affect in any manner the Common Elements of the Condominium provided that such work is performed and all contracts for such work are in compliance with this Declaration and the rules established by the Association. No alteration or improvement to the Unit which would affect the Common Elements may be made by any Unit Owner without prior written consent of the Association notwithstanding the provisions of Section 703.13(5)(a) of the Act. The conditions for consent shall include, but not be limited to, proper insurance coverages, indemnification from claims for injury to person or property, waivers or indemnification against construction liens and approval by an architect approved by the Association insofar as the work affects Common Elements.

Section 5. INTERPRETATION OF PLANS: If any portion of the Common or Limited Common Elements shall encroach upon any Unit, or if any Unit shall encroach upon any other Unit or upon any portion of the Common or Limited Common Elements as a result of the duly authorized construction, reconstruction or repair of a building, or as a result of settling or shifting of a building, a valid easement for the encroachment and for its maintenance shall exist so long as the building stands. The existing physical boundaries of a Unit or Common Elements constructed or reconstructed in substantial conformity with the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of the settling or shifting of the building and regardless of minor variations between the physical boundaries described in this Declaration or shown on the Condominium Plat and the existing physical boundaries of any such Unit or Common Element.

Section 6. MODIFICATION OF PLANS: Declarant reserves the right to change, without the approval of the Unit Owners or the Condominium Association, the layout, location, dimensions and construction details of the building, Unit and Common and Limited Common Elements shown on the Condominium Plat which are not yet constructed, provided that such changes shall not substantially alter the nature and quality of the buildings and Unit, and subject to the following:

- (a) Notwithstanding the above, Declarant reserves the right to change the number, size and dimension of the buildings in which condominium Units are to be constructed as presently shown on the Condominium Plat, to larger or small residential building sizes, at its sole discretion, providing that no more than thirty (30) units shall be constructed.
- (b) Declarant reserves the right to increase or decrease the square footage of any Unit and/or building, including but not limited to the right to increase or decrease the square footage of land area occupied by said buildings.
- (c) Such changes in the size of a building, the number of buildings, the number of Units in a building, and/or the size of any Units shall not increase the total number of Units as set forth in this Declaration from thirty (30) Units.
- (d) In the event of any changes, Declarant shall record, from time to time and as required, an Addendum to the Plat of this condominium development showing the changes, including location, size and dimensions of said buildings and units with the appropriate designations thereof.

Section 7. CONSTRUCTION IN PHASES: This condominium project will not be built at the same time, but rather in phases. It is the intent of Declarant to construct the residential condominium units in stages. The number and stages and start up and completion dates for said construction of the residential condominium units are within the sole discretion of Declarant.

ARTICLE III COMMON ELEMENTS

Section 1. DESCRIPTION OF COMMONELEMENTS: The Common Elements shall consist of all areas except Units, and by way of explanation shall include:

- (a) The land described in this Declaration;
- (b) The private driveways, parking area and walkways located on the land;
- (c) Wetlands and lawn areas designated on the Condominium Plat (Exhibit A);
- (d) All other parts of the property necessary or convenient to its existence, maintenance and safety, are normally common use;
- (e) The foundations, columns, girders, beams, overhangs, supports, main walls and roofs of the buildings;
- (f) Areas set aside for storage of maintenance equipment;
- (g) Installations for providing central services such as power, light, gas heating and cold water,
- (h) Sanitary disposal system, including, but not limited to, tanks and sanitary pumps, sewer lines, water lines, controls, fans, compressors, ducts and, in general, all apparatus and installations intended for common use;
- (i) or wells

Section 2. OWNERSHIP OF COMMON ELEMENTS: (a) Each Unit Owner shall be entitled to (i) ingress and egress over, upon and across the common area necessary for access to said Unit Owner's Unit; (ii) own an undivided interest in the Common Elements as a tenant-in-common with all other Unit Owners of the property, and (iii) except as otherwise limited in this Declaration, have the right to use the Common Elements for all purposes incident to the use and occupancy of such Owner's Unit as allowed by law and as permitted by this Declaration, which right shall be appurtenant to and run with such Unit. Except as otherwise provided in this Declaration or the By-Laws of the Association, the Common Elements shall be operated, repaired and maintained by and at the expense of the Association.

- (b) Each Unit's fractional (also known as its percentage of ownership) ownership in the Common Elements shall be 1/30th.
- (c) The percentage of ownership in the Common Elements shall be subject to such easements as have been granted or may hereafter be granted to the Village of Saukville or to public utilities.

Section 3. USE OF THE COMMON ELEMENTS. Subject to the exclusive rights of each Unit Owner to the use and enjoyment of the Unit owned, each Unit Owner shall have the right to the use and enjoyment of the Common Elements in common with all other Unit Owners. The use of the Common Elements and the rights of the Unit Owners with respect thereto shall be subject to and governed by the provisions of the Act, this Declaration and any Association Rules and Regulations.

Section 4. LIMITATION ON USE OF COMMON ELEMENTS: Notwithstanding anything to the contrary set forth in this Declaration, the use of the Common Elements shall be restricted to those Unit Owners who are also possessors or residents of the Units. A possessor or resident of the Unit shall refer to either the Tenant having possession of the Unit by virtue of a Lease with the Unit Owner or the Unit Owner occupying and possessing the Unit as said Unit Owner's residence. Specifically, Unit Owners having title or ownership in a Unit for purposes other than as said Unit Owner's primary residence are prohibited from any use of the Common

Elements. Further, any Unit Owner granting possession of said Unit Owner's Unit to another person or persons forfeits the right to use the Common Elements at all times during the period of time said other person or persons shall have possession of said Unit.

Section 5. EASEMENTS FOR USE OF COMMON AREAS: (a) Each Unit Owners shall have a valid, exclusive easement to the space between the interior and exterior walls of said Unit Owner's Unit for purposes of adding additional utility outlets, wall hangings, erection of non-bearing partition walls, and the like, where space between walls may be necessary for such uses, provided that the Unit Owner shall do nothing to impair the structural integrity of any of the buildings, and provided further that the common element and facilities be restored to their former condition by the Unit Owner at Unit Owner's sole expense upon completion or termination of the use requiring the easement. Easements are hereby granted and declared for the benefit of the Unit Owners and the Association for the installation, maintenance and repair of common utility services located in and/or any part of the common elements or Units.

(b) There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written consent of the Association except as specifically provided herein. No owner or possessor shall cause to be stored at the premises, any substance defined as a "Hazardous Substance" as defined or designated under Sec. 311 or 307(a) of the Federal Clean Water Act, Superfund Sec. 102, the Federal Resources Conservation and Recovery Act, Sec. 112 of the Federal Clean Air Act and Section 7 of the Federal Toxic Substance Control Act, or any amendments or additions thereto. Nothing shall be altered on, constructed or removed from the Common Elements except upon the prior written consent of the Association. No garbage or rubbish containers shall be placed or kept in any Common Elements, other than those areas designated by the Association therefore. No clothes line shall be maintained on the Common Elements, and said Common Elements shall not be used for hanging of clothes, rugs or other articles.

Section 6. MAINTENANCE OF COMMON ELEMENTS. Except for the Units and Unit Owner Improvements thereon which shall be the responsibility of each Unit Owner, the management, repair, alteration and improvement of the Common Elements and the Landscape Areas shall be the responsibility of the Association. Each Unit Owner shall pay, as an assessment, a share of the common expenses for maintenance, repair, replacement, administration and operation of the Common Elements and Landscape Areas in the same proportion as the Unit Owner's Percentage Interests. Payment thereof shall be in such amount and at such time as may be established in this Declaration. If a Unit Owner fails to pay such assessment when due, the amount thereof shall constitute a lien on the respective Unit as herein provided.

Section 7. NO SEVERANCE OF UNIT OWNERSHIP. No Unit Owner may sell, convey or transfer any legal or equitable interest in said Owner's Unit without including the percentage of ownership interest in the Common and Limited Common Elements and facilities and in all assets and liabilities of the Association appurtenant to said Unit; and any deed, mortgage or other instrument purporting to affect one or more of such interests, without including them all, shall be deemed to include all such rights, title, interests and obligations of the Unit Owner.

Section 8. NO PARTITION OF COMMON ELEMENTS: There shall be no partition of Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the property is withdrawn from its terms or from the terms of any statute applicable to condominium ownership; provided, however, that if any Unit shall be owned by two or more co-owners as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prohibit a voluntary or judicial partition of said Unit ownership between such co-owners.

ARTICLE IV LIMITED COMMON ELEMENTS

Section 1. DESCRIPTIONOF LIMITED COMMONELEMENTS AND FACILITIES: A portion of the Common Elements and facilities, designated as "Limited Common Elements and Facilities," are designated on the Condominium Plat and service and/or are appurtenant to one and only one Unit, whether or not specifically designated as such on said Condominium Plat. The exclusive use of said Limited Common Elements shall be reserved the Owner or occupant of the Unit to which they are appurtenant, to the exclusion of all other Units and Unit Owners in the condominium. These are the areas immediately in front of garages, patios and decks, balconies, driveways and walkways which service one Unit. Each Unit Owner shall be entitled to the exclusive use and possession of these Limited Common Elements, direct access to which is provided for said Unit Owner's respective Unit, and which is located outside of and adjoining said Unit Owner's respective Unit.

Section 2. PATIOS, DECKS AND PORCHES: All patios, decks and porches, including but not limited to those covered with a roof or awning and/or enclosed with windows and/or screens, are Limited Common Elements appurtenant to the Unit to which same are attached. Declarant has the express right to construct patios, decks and/or porches, including but not limited to those covered with a roof or awning and/or enclosed with windows and/or screens, at the time of initial construction or any Unit. After the sale of a Unit by Declarant, or the completion of construction of a Unit, whichever is later, the Unit Owner may, if approved by the Association, in the Association's sole discretion, and subject to such approvals and permits as may be required by the municipality in which the condominium is located, add one or more patios, decks and/or porches, including but not limited to those covered with a roof or awning and/or enclosed with windows and/or screens. Any such patio, deck and/or porch added by a Unit Owner shall be located in the side and/or rear year of the Unit. No patio, deck or porch shall be added by any Unit Owner without the approval required pursuant to this Declaration. The Unit Owner shall be solely responsible for all costs of maintaining and repairing all patios, decks and porches appurtenant to such Unit, including any roof or awning covering same, and including any windows or screens enclosing same. A Unit Owner adding a deck, patio and/or porch shall reimburse the Association, upon demand, for all costs and expenses incurred by the Association relating such addition, and/or the approval thereof, including but not limited to the cost of preparing and recording an addendum to the Condominium Plat showing such addition, and, if applicable, Architect's and engineer's fees. Any such costs and expenses not timely paid shall constitute a special assessment against such unit, whether or not the Unit Owner actually proceeds with the construction of the addition

Section 3. USE. The manner of use of the Limited Common Elements shall be governed by this Declaration, the By-Laws of the Association, and such rules and regulations as may be established by the Association. No Unit Owner shall alter, remove, repair, paint, decorate, landscape or adorn any limited common element, or permit such, in any manner contrary to this Declaration, the By-Laws and/or the rules and regulations. No major or structural changes or alterations shall be made by any Unit Owner to any of the Limited Common Elements without the prior written approval of the Association, which approval may be given or denied upon such terms and conditions as the Association deems appropriate. Patios, terraces, decks or balconies shall not be used for any storage of any kind, including, but not limited to, the storage of motorcycles, baby carriages, bicycles or wagons, nor shall patios, terraces, decks or balconies be used for the drying or airing of laundry, carpets, rugs or clothing. Furthermore, no grills shall be used or stored on patios, terraces, decks or balconies, unless they are of a type using a cover in place while in use. No clotheslines shall be hung in Common or Limited Common Elements.

Section 4. CONVEYANCE OF LIMITED COMMONELEMENTS: No Unit Owner shall convey or lease said Unit Owner's right to use any Limited Common Element pertinent to said Unit Owner's Unit to any other Unit Owner unless coupled with the conveyance of the Unit.

ARTICLE V OTHER PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

Section 1. USE OF UNITS BY DECLARANT. Until such time as Declarant has sold all of its Units in the condominium, Declarant shall have the right to use any or all unsold Units, and any portion of the common elements as may be necessary to expedite the sale of Units, including but not limited to the maintaining of a sales office, the maintaining of one or more model Units, the holding of open houses and the erecting of signs. The use of a Unit is further subject to the following:

- (i) Declarant may lease a Unit on such terms and conditions as it desires in its sole discretion, but after a Unit has been conveyed by Declarant to an Owner, said Unit may be leased provided said Lease shall (1) be in writing signed by the Unit Owner and (2) be for a term of not less than twelve (12) months and (3) specifically obligate the tenant to abide by the terms and conditions of the Declaration, By-Laws and all rules and regulations of the Association. Any person occupying a Unit with the authority of an Owner shall comply with all of the restrictions, covenants and conditions imposed on an Owner. If a Unit is leased as aforesaid, the Owner of such Unit shall notify the Association of the tenant's or tenant's name or names and telephone number, and such Owner shall notify the Association prior thereto of said Unit Owner's forwarding address and of a telephone number where said Unit Owner can be reached. Any such lease shall not relieve a Unit Owner from any obligation imposed by the Act, this Declaration, the By-Laws or Articles of Incorporation of the Association, and/or rules and regulations adopted pursuant thereto, including but not limited to the duty to pay common expenses. The rental of Units is further subject to such further conditions and restrictions as may be set forth in the By-Laws and/or rules and regulations of the Association.
- (ii) A Unit shall not be rented for transient or hotel purposes, which shall be defined as: (i) any rental for periods of less than thirty (30) days; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverage, maid service, bellboy service or laundry service.
- (iii) No sign of any kind shall be displayed to the public view on or from any Unit or Common Elements, without the prior consent of the Association. The Association may establish rules and regulations for the size and placement of "For Sale" and "For Rent" signs. This provision shall not prohibit Declarant from erecting signs to expedite the sale of its Units.
 - (iv) Temporary structures, such as sheds or other storage facilities, are prohibited on Common Elements.
- (v) No maintenance or lubrication of any vehicle shall be permitted anywhere on the Common or Limited Common Elements.
- (vi) No rummage or garage type sales shall be conducted in or about any Unit on more than four (4) calendar days in any calendar year.

Section 2. PETS: (a) Animals and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or in any of the Common Elements, except that two (2) dogs, two (2) cats, or a combination of both, one (1) bird and fish may be kept as household pets by Unit Owners, provided they are not kept or maintained for commercial breeding purposes, and are kept subject to rules and regulations set forth below and such other rules and regulations which may be adopted, from time to time, by the Association

(b) Pet Rules and Regulations.

- (i) Size and Weight. No cat or dog shall be permitted if in excess of 26 inches in height or 25 pounds in weight.
- (ii) Leashes. Dogs and cats shall not be permitted on the Common Elements unless on a leash and within control of a person.
- (iii) Waste. The Unit Owners shall be responsible for the proper disposal of the pet's waste, without regard to their control over the pet at the time or location of the waste.
- (iv) Exercise. If the Board designates an area of the Common Element as a "pets area," then pets shall be exercised only within this area. Such designation shall not operate to diminish the Unit Owner's responsibility under (iii) hereof.
- (v) Behavior. Unit Owners are responsible for the behavior of pet occupying their Unit and any handler thereof.
 - (vi) Housing. Pets shall be housed exclusively within Units. No exterior pens or cages shall be allowed.
- (vii) Licenses. Pets shall be licenses by the municipality if required, and a copy of such license shall furnished to the Association upon permit application.
- (viii) Noises. All pets shall be maintained in a manner as to keep any noise at a minimum level which, in any event, must not be an unreasonable annoyance to the other condominium residents.

Section 3. USE OF PARKING AREAS Parking areas (including driveways on which parking is allowed), whether designated as a part of a Unit or as Common Elements or Limited Common Elements and as where allowed, shall be used only for the parking of private passenger automobiles, pickup trucks, motorcycles and bicycles. Such vehicles shall at all times, be in running condition and bear current license plates. Persons using such parking areas shall, at reasonable times, for a reasonable period and upon reasonable notice, remove their vehicles therefrom to permit the parking areas to be repaired, resurfaced, repainted, striped or to permit cleaning thereof or the removal of snow therefrom or for similar purposes. Notwithstanding the foregoing, parking on Forest Ridge Court within the Condominium Development is specifically prohibited, unless permitted by the Village of Saukville.

Section 4. PROHIBITION OF DAMAGE AND CERTAIN ACTIVITIES: Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would increase the rate of insurance on the premises or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would be in violation of any Statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Elements or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by said Unit Owner or said Unit Owner's invitee, to the Association or their Owners. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Elements as may become an annoyance or nuisance (including the use of HilFis, stereos, musical instruments, televisions or radios at such time or in such volumes of sound as to be objectionable) to any other Owner or to any other person at any time lawfully occupying the Unit.

Section 5. SUBDIVISION OF UNITS: Units shall not be divisible or subject to division or partition.

Section 6. RULES AND REGULATIONS: No Owner shall violate the rules and regulations for the use of the Units and of the Common Elements as may be adopted, from time to time, by the Association.

Section 7. DELEGATION OF USE: Any Owner may delegate, as may be allowed by and in accordance with the By-Laws and this Declaration, said Unit Owner's right of enjoyment of the Common Elements and facilities to the tenants of said Unit Owner's Unit or contract purchasers of said Unit Owner's Unit and only to said individuals.

Section 8. CONSTRUCTION: In the event any construction or remodeling work shall be performed in or about a Unit by a Unit Owner, or said Unit Owner's contractors, agents, servants, and/or employees, said Unit Owner shall be responsible for maintaining and keeping the Common Elements and public areas such as public walks and drives free and clear of debris, dust, and construction materials, and promptly cause the removal of such debris, dust and construction materials as may be placed thereon, and further, shall be responsible for the cost of repairing or replacing any damage to said Common Elements.

Section 9. SEPARATE MORTGAGES OF UNITS: Each Unit Owner shall have the right to mortgage or encumber said Unit Owner's own respective Unit, together with said Unit Owner's respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the property or any part thereof, except said Unit Owner's own Unit and said Unit Owner's own respective ownership interest in the Common Elements.

Section 10. SEPARATE REAL ESTATE TAXES: It is intended and understood that real estate taxes are to be separately taxed to each Unit Owner for said Unit Owner's Unit and said Unit Owner's corresponding percentage of Ownership in the Common Elements, as provided in the Wisconsin Condominium Ownership Act. In the event that, for any year, such taxes are not separately taxed to each Unit Owner, but are taxed on the property as a whole, then each Unit Owner shall pay said Unit Owner's proportionate share thereof, the allocation in respect to Common Elements to be in accordance with said Unit Owner's respective percentage of Ownership interest in the Common Elements. In the latter event, to assure the ability of each Unit Owner to pay said Unit Owner's share of the real estate taxes the Association may establish an escrow account and require each Unit Owner to pay into such account a sum equal to one-thirtieth (1/30th) of said Unit Owner's share of the estimated real estate taxes each month.

Section 11. MAINTENANCE, REPAIRS AND REPLACEMENTS: (a) Each Unit Owner shall be responsible for keeping the interior of said Unit Owner's Unit, all of its equipment, fixtures and appurtenances, and all patios, decks and porches, in good order, condition and repair and in a clean and sanitary condition, and shall be responsible for decorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of said Unit Owner's Unit, and all patios, decks and porches, all as may be more fully set forth in the By-Laws and/or rules and regulations of the Association. Without in any way limiting the foregoing, in addition to decorating and keeping the interior of the Unit in good repair, each Unit Owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, doors and windows (including washing and replacement of broken glass), screens and screening, lighting fixtures, refrigerators, ranges, heating and air conditioning equipment, dishwashers, disposals, laundry equipment such as washers and dryers, interior electrical wiring and fixtures, or other equipment which may be in, or connected with, the Unit or the Limited Common Elements appurtenant to the Unit.

- (b) Except as otherwise set forth herein, the Association shall be responsible for the management and control of the common elements and facilities and Limited Common Elements, and shall cause the same to be kept in good, clean, attractive and sanitary condition, order and repair. Without in any way limiting the foregoing, this shall include all repair and maintenance of the buildings and exterior walls and roofs, parking, upkeep and maintenance of private roadways, water, sanitary and storm sewer mains and laterals, walks, drives and landscaping and trash removal and recycling pick up. All expenses of the Association, except as otherwise set forth in this Declaration and/or By-Laws, shall be charges to the Unit Owners as a common expense.
- (c) Each Unit Owner shall keep the Limited Common Elements appurtenant to said Unit Owner's Unit, as defined herein and as described in the Condominium Plat, in a good, clean, sanitary and attractive condition.

- A Unit Owner shall not, without first obtaining the written consent of the Board of Directors of the Association, make or permit to be made any structural alterations, or major changes or improvements to said Unit Owner's Unit, or in or to the exterior of the building in which said Unit Owner's Unit is located or any common or Limited Common Elements and facilities or make or install any improvements or equipment which may affect other Unit(s) or the Owner(s) of other Unit(s). A Unit Owner shall not perform, or allow to be performed, any act which will impair the structural soundness or integrity of any building, or the safety of property, or impair any easement or hereditament, without the prior written consent of the Association.
- (e) The Association may enter any Unit at reasonable times and under reasonable conditions when necessary in connection with any maintenance, construction or repair of public utilities or for any other matters for which the Association is responsible. Such entry shall be made with prior notice to the Owners, except in the case of an emergency when injury or property damage will result from delayed entry, and with as little inconvenience to the Owners as practical, and any damage caused thereby shall be repaired by the Association and treated as a common expense except as allocable to an individual Unit or Units at the discretion of the Board of Directors.
- (f) Notwithstanding any other provision of this Declaration the Association is hereby expressly granted the power to delegate to Unit Owners some or all of the routine maintenance of Common Elements and/or Limited Common Elements, and the expense of repair and/or replacement occasioned by the failure of the Unit Owner to properly maintain same shall be responsibility of the Unit Owner, and not a common expense of the Association. The delegation of maintenance responsibilities shall be set forth in the By-Laws. The Association, at its option, may establish specific maintenance requirements for said delegated maintenance responsibilities in its rules and regulations.
- The Association may, by resolution adopted by the affirmative vote of the majority of all Members (not merely the majority vote of the members present at a meeting at which a quorum is present) authorize the Association to assume responsibility, in whole or in part, for the maintenance, repair and/or replacement of some or all of those portions of the Units (such as windows, window frames, exterior doors, garage doors, porches, decks, etc.) which affect the exterior appearance of Units in FOREST RIDGE CONDOMINIUMS OF SAUKVILLE, and to charge the expenses for same as a common expense. Any such resolution may be amended, modified and/or rescinded at any time by the affirmative vote of the majority of all members, provided, however, if work has bee completed as to some, but not all, of the Units, work on the remaining Units shall be completed and paid for as a common expense pursuant to the original resolution so as to put all Units in a comparable state of repair.

Section 12. NEGLIGENCE OF UNIT OWNER. If, due to the willful or negligent act or omission of a Unit Owner, a guest, a member of the family or a household pet of such Unit Owner, or an occupant of such Unit, any damage shall be caused to the Common Elements or to a Unit or Unit Owner Improvements owned by others, then such Unit Owner shall pay for such damage, including repair and replacement, as may be determined by the Association

Section 13. COMMON SURPLUSES: All common Surpluses shall be credited to Unit Owners' for assessments for common expense in proportion to their obligation for Basic Assessments. The Condominium Owners Association may from time to time provide for other common uses of such surpluses.

ARTICLE VI ASSOCIATION OF UNIT OWNERS AND VOTING RIGHTS

Section 1. MEMBERSHIP: Every Owner of a Unit shall be entitled and required to be a member of the Association and shall remain a member of the Association until such time as ownership of such unit ceases, for any reason, at which time membership shall

automatically cease. If title to a Unit is held by more than one person, each of such persons shall be members. An Owner of more than one Unit shall be entitled to one membership for each such Unit owned by said Unit Owner. Each such membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically by conveyance of that Unit. No Person or entity other than an Owner of a Unit or Declarant may be a member of the Association, and membership in the Association may not be transferred except in connection with the transfer of title to a Unit; provided, however, that the rights of voting may be assigned to a Mortgagee as further security for a loan secured by a mortgage on a Unit.

Section 2. VOTING. The Association shall have two (2) classes of voting membership as follows:

of unit owners.

- Class A. Class A members shall be all Units, with the initial exception of Declarant. One (1) vote shall be allowed (a) for each Unit regardless of the number of Unit Owners thereof. If title to a Unit is held by more than one person, the membership related to that Unit shall be shared by such Owners in the same proportionate interest and by the same type of tenancy in which title to the unit is held; however, such Unit Owners shall designate one (1) person to cast the vote appurtenant to such Unit. Voting rights may not be split and fractional votes shall not be cast. Shared membership interest must be voted pursuant to said designation and as further set forth in the By-Laws.
- Class B. Class B members shall be Declarant and shall be entitled to two (2) votes for each Unit (up to 60 votes) (b) owned or to be built by Declarant.
 - The respective rights and qualifications of the two classes of members shall be as set forth in the By-Laws of the Association.
- Rights of Declarant. Notwithstanding any other provisions herein contained, but except as provided in Section (c) 703.15(d) of the Act, Declarant, its successors and assigns, shall have the right, at its option, to exercise the powers and responsibilities otherwise assigned by this Declaration, the Act or the By-Laws of the Association, until the three (3) years after the first unit is conveyed to a purchaser other than Declarant or thirty (30) days after the conveyance of seventy-five percent (75%) of the units, whichever time is earlier. All present and future owners, mortgagees, lessees and occupants of units in the condominium shall be deemed, by acceptance or any deed to or mortgage on any unit or by entering into a Land Contract or Lease affecting a unit or by the act of occupancy of a unit, to agree, approve and consent to the right of Declarant to so control the Association

Section 3. UNIT VALUE FOR VOTING: The interest of each Unit shall be 1/30th and shall serve as a basis in determining the voting interest of each Unit on matters for determination by Unit Owners and as to other matters described in the Wisconsin Unit Ownership Act.

Section 4. AMPLIFICATION: The provisions of this article may be amplified by the By-Laws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

ARTICLE VII RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. THE COMMON ELEMENTS: The Association, subject to the rights and duties of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair.

Section 2. SERVICES: The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Common Elements, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Common Elements or the enforcement of this Declaration. The Association may arrange with others to furnish water, trash collection and other common services to each Unit.

Section 3. PERSONAL PROPERTY FOR COMMON USES: The Association may acquire and hold for the use and benefit of all of the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interest in the Common Elements. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership of the transferror's beneficial interest in such property without any reference thereto. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosure Unit.

Section 4. RULES AND REGULATIONS: The Association may make reasonable rules and regulations governing the use of the Units and of the Common Elements, which rules and regulations shall be consistent with the rights and duties established in this Declaration.

Section 5. IMPLIED RIGHTS: The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any right or privilege.

Section 6. PERSONAL LIABILITY: NO DIRECTOR or OFFICER of the ASSOCIATION shall be personally liable to any UNIT OWNER or to any other party, including the Association, for any loss or damage suffered or claimed on account of any act, omission, error or negligence of such Officer or Director acting in such capacity, provided such person acted in good faith, without willful or intentional misconduct.

ARTICLE VIII COVENANT FOR ASSESSMENTS

Section 1. AGREEMENT TO PAY ASSESSMENT: Declarant for each Unit owned by it hereby covenants, and each Owner of any Unit by the acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purpose provided in this Declaration, annual assessments, special assessments for capital improvements, and assessments for any other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

Section 2. PURPOSE AND COMPUTATION OF ASSESSMENTS:

- (a) The assessments levied by the Association shall be used exclusively for the improvement and maintenance of the Common Elements, and such emergency repairs as the Association may deem necessary.
- (b) All funds for the payment of common expenses and for the creation of reserves for the payment of future common expenses shall be obtained by equal assessments against the owner of each Unit. Subsequent to the first conveyance of a Unit by Declarant to a purchaser, Declarant's obligation for assessments shall be as follows:

- (i) For each completed Unit owned by Declarant, Declarant shall pay monthly assessments in the Association on the same basis as any other Unit Owner.
- (ii) For such period of time as there are uncompleted Units in the Condominium owned by Declarant, Declarant shall have the option of either paying monthly assessments to the Association for each uncompleted Unit owned by Declarant on the same basis as any other Unit Owner; or paying to the Association the difference between the aggregate amount of the monthly assessments assessed against all owners of completed Units (including Declarant) and the actual monthly expenses incurred by the Association; provided, however, that Declarant shall be required to make payments into the reserve accounts established by the Association for each of its uncompleted Units which is under construction on the same basis as all other Unit Owners.
- (c) For purposes of Declarant's obligations for assessments, a completed Unit shall be a Unit for which the Village of Saukville has issued an occupancy permit. Until such time as a Unit is completed, Declarant, and not the Association, shall be responsible for all insurance premiums and other costs related to such Unit.

Section 3. ANNUAL ASSESSMENTS: The Board of Directors of the Association shall from time to time, and at least annually, prepare a budget and fix the annual assessment.

Section 4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purposes of: (a) defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements including fixtures and personal property related thereto; (b) offsetting shortages resulting from non-collection of the annual assessment or underestimation; and (c) unusual or unpredicted costs such as cost of collecting annual assessment or enforcement of the provisions of the Declaration; provided, however, that any such assessment shall have the assent of two-thirds (2/3) of the votes of Owners affected who are voting in person or by proxy at a meeting duly called for this purpose. The cost of the initial Common Element improvements is excluded from the special assessments authorized in this section, such cost to be borne by Declarant.

Section 5. SPECIAL ASSESSMENT AGAINST A PARTICULAR UNIT: Special assessments may be made by the Board against a particular Unit Owner and said Unit Owner's Unit for:

- (a) Costs and expenses (anticipated or incurred) for damage to the Common Elements caused by or at the direction of that Unit Owner or guests or tenants of the Unit Owner or other occupants of the Unit;
- (b) Costs, expenses and actual attorneys' fees incurred in, or in anticipation of, any suit, action or other proceeding to enforce the Act, the Declaration, the By-Laws, or the Rules or Regulations where there is found to be a violation thereof;
- (c) Costs and expenses (anticipated or incurred) for emergency repairs to a Unit;
- (d) Liabilities, costs and expenses incurred by the Association as a result of any temporary or permanent condition or defect in the Unit or the storage area appurtenant to the Unit;
- (e) Interest due on General and Special Assessments;

- (f) Forfeitures and other penalties levied by the Board for violations of the Condominium Documents by a Unit Owner or the tenants or guests of the Unit Owners or occupants of a Unit.
- (g) All other costs and expenses anticipated or incurred by the Association which are subject to special assessments as provided under this Declaration or the By-Laws.

Section 6. NOTICE OF MEETINGS: Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all affected Members and any Mortgagee who shall request such notice in writing not less than ten (10) days in advance of the meeting. The presence, at such meeting, of Members or of proxies entitled to cast fifty percent (50%) of all the votes affected shall constitute a quorum.

Section 7. UNIFORM RATE OF ASSESSMENT: Both annual and special assessments must be fixed at a uniform rate for all Units; provided, however, the Association shall assess an individual Unit for all sums due solely from that Unit as provided in Section 5 of this Article.

Section 8. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: The annual assessments provided for herein shall be payable in monthly installments and the monthly installments shall commence as to each Unit on the first day of the first month following the conveyance of the such Unit by Declarant, or on the first day of the first month following the actual occupancy of such Unit for residential purposes, whichever occurs first, provided, however, that with respect to any Unit conveyed by Declarant prior to the issuance of an occupancy permit for such Unit, the monthly installments for such Unit shall commence on the first day of the first month following the issuance of an occupancy permit (temporary or final) for such Unit for residential purposes, whichever occurs first. The first annual assessment for each Unit shall be adjusted and prorated according to the number of months then remaining in the calendar year. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors, provided, however, that Declarant shall pay a reduced assessment for Units prior to the issuance of an occupancy permit therefore, which reduced assessment is set forth in this Declaration.

Section 9 LIEN FOR ASSESSMENTS: All sums assessed to any Unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Unit except only for:

- (a) Liens of general and special taxes; and
- (b) A lien for all sums unpaid on a first mortgage, or on any mortgage to Declarant, duly recorded in the Ozaukee County, Wisconsin, real estate records, prior to the making of such assessment, including all unpaid obligatory advance to be made pursuant to such mortgage and all amounts advanced pursuant to such mortgage and secured by the lien thereof in accordance with the terms of such instrument;
- (c) Mechanics lien filed prior to the making of the assessment; and
- (d) All sums unpaid on any mortgage loan made pursuant to Section 45.80 Wis. Stats.

To evidence a lien for sums assessed pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Unit, and a description of the Unit. Such a notice shall be signed by the Association and may be recorded in the Office of the Clerk of the Circuit Court or Register of Deeds of Ozaukee County, Wisconsin. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be

foreclosed in Wisconsin. In any such foreclosures, the Owner shall be required to pay the costs and expenses of filing the notice of lien, of all proceedings and all reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Unit as the Owner thereof. A release of notice of lien shall be executed by the Association in such form as to be recordable in the Ozaukee County, Wisconsin, real estate records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any encumbrancer holding a mortgage or other lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall upon written request report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than thirty (30) days after the same shall have become due and any default in the performance by the individual Unit Borrower of any obligation under the condominium documents which is not cured within thirty (30) days; provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrance.

Section 10 EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION: Any assessments which are not paid when due shall be delinquent. Any assessment or installment thereof not paid within ten (10) days after the due date shall bear interest from the due date at a rate of interest which is two percent (2%) higher than the rate prescribed by the Wis. Stats. to be collected upon execution upon judgment. (In lieu of charging such interest, the Board may, from time to time, fix a reasonable late fee for each month or fraction thereof that such assessment is not paid). All payments on account shall be first applied to the interest or late charge, if any, and then to the assessment payment first due. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of said Unit Owner's Unit. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without foreclosing or waving the lien securing the same. If any installment of any assessment becomes delinquent, the privilege of paying such assessment in installments shall be terminated and, if such delinquent installment be of an annual assessment, the entire annual assessment for the remainder of the fiscal year, or if the delinquent installment be of a special assessment, the entire special assessment, shall be considered at once, without further notice, due and payable and shall be considered delinquent.

Section 11 SALE OR CONVEYANCE. The sale or transfer of any Unit shall not affect the assessment lien. The sale or transfer of any Unit pursuant to the foreclosure of a mortgage or other lien having priority as set forth shall extinguish the line of such assessments (to the extent of the priority of such mortgage or other lien) as to payments which became due prior to such sale or transfer. No sale or transfer pursuant to foreclosure shall relive such Unit from liability for any assessments which thereafter become due or from the lien thereof.

Section 12 ADDITIONAL RIGHTS OF LENDERS:

- (a) The holder of any mortgage or land contract vendor or insurer or guarantor of any mortgage of a Unit ("claimant"), which has notified the Association in writing delivered or mailed by certified mail to the Registered Agent stated in this Declaration, shall be entitled to receive notice from the Association the following matters:
 - (i) Written notice as to any default or delinquency in the performance by the individual Unit Owner who is the Mortgagee's mortgagor as to any obligation under the condominium documents, which default or

- delinquency is not cured within 60 days after written notice of said default or delinquency by the Association to the said mortgagor,
- (ii) Written notice of the call of any meeting of the membership of the Association to be held for the purpose of considering any proposed Amendment to the Declaration, the Articles of Incorporation of the Association, or by the By-Laws of the Association;
- (iii) Written notice of any damage or destruction to the common elements of the condominium, including the buildings, fixtures and equipment which are a part of the common elements, which is in an aggregate amount exceeding \$10,000.00, at such time as such damage or destruction is known to the Board of Directors.
- (b) Except as provided by the Act in the case of damage to or destruction of all or any part of the property, the Association shall not, unless the mortgagees of at least 75% of the Units have given their prior written consent:
 - (i) Change the undivided percentage interest in the Common Elements of the Condominium appertaining to each unit or the manner of making assessment for common expenses based upon such percentage;
 - (ii) Partition or subdivide any Unit of the Condominium;
 - (iii) By act or omission, seek to partition, subdivide, encumber, sell or transfer the Common Elements, except that the transfer of the water system to a public or quasi-public body or the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause; or
 - (iv) Use hazard insurance proceeds for losses to any condominium property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such condominium property.
 - (v) By act or omission seek to abandon or terminate the condominium or encumber or convey any part of the common elements of the condominium.

ARTICLE IX ARCHITECTURAL CONTROL

Section 1. ARCHITECTURAL CONTROL AUTHORITY: No exterior additions or alterations, including painting or decorating, to the buildings, porch, additional fences, or changes in existing fences, hedges, walls, walkways and other structures or addition of airconditioning equipment shall be commenced, erected or maintained except such as are installed or approved by Declarant in connection with the initial preparation of the building. Thereafter, no such changes, alterations or additions shall be commenced unless and until the plans and specifications showing the nature, kind, shape, height, materials, location, color and approximate cost of same shall have been submitted to and approved in writing as to harmony of external design and location to the Directors of the Association, or by a representative or representatives designated by the Board of Directors (Architectural Control Committee). In the event the Board of Directors, or its designated representatives, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, and if no suit to enjoin the making of such additions, alterations or changes has been commenced within sixty (60) days of application, such approval shall be deemed to have been given. If no application has been made to the Board of Directors or their representatives, suit to enjoin or remove such additions, alterations or changes may be instituted at

any time. Neither the members of the Board of Directors nor its designated representatives shall be entitled to compensation to themselves for services performed pursuant to this paragraph, but compensation may be allowed to independent professional advisors retained by the Board of Directors.

Section 2. ANTENNAE: Exterior antennae shall not be placed on the building without the approval of the Architectural Control Committee or its designated representatives.

Section 3. DECLARANT CONTROL: During the period of Declarant control, Declarant shall act as the Architectural Control Committee unless said Declarant delegates such function to the Board of Directors.

Section 4. USE OF BUILDING AND UNITS. To preserve the character of the Building and for the protection of the value of the Units, the use of the Units shall be restricted to single-family residential use only.

ARTICLE X PARTY WALLS

Section 1. GENERAL RULES OF LAW TO APPLY: Each wall which is built as a part of the original construction of the building is placed solely on the interior of each Unit being a part of said Unit. If there are any party walls or walls placed on the dividing line between Units, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. SHARING OF REPAIR AND MAINTENANCE: The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. RIGHT TO CONTRIBUTION RUNS WITH LAND: The right of an Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 4. ENCROACHMENTS: Some of the Units may be aesthetically and functionally designed with drains, air-conditioning equipment and other structures that encroach or overhang adjoining Units. The Owner of each Unit hereby takes title subject to a perpetual easement for any such overhang or encroachment and each encroaching or overhanging Unit or other structure, drain, or air conditioning equipment may be repaired, rebuilt or replaced in such a fashion as to permit these overhangs and encroachments to be reestablished but not enlarged without consent of the servient Owner and the Association.

Section 5. BINDING EFFECT: All present and future owners of Units, tenants of such Owners and any other occupants of Units, employees of Owners, or any other persons that in any manner use or come upon the Condominium or any part thereof shall be subject to and shall comply with the provisions of this Declaration, the Articles of Incorporation of the Association (the "Articles"), and the By-Laws and rules and regulations of the Association, as these instruments may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit shall constitute an acceptance by such Owner, tenant or occupant of the provisions of such instruments, as they may be amended from time to time. The provisions contained in such instruments shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and fully stipulated in each deed, conveyance or lease thereof. The enforcement may be by such judicial proceedings as the Board of Directors of the Association may deem appropriate as well as by the provisions of the Wisconsin Condominium Ownership Act.

Section 6. RULES AND REGULATIONS: Rules and regulations (in addition to the By-Laws) concerning the use of the Units and the common and Limited Common Elements, including provisions concerning the keeping of pets, may be promulgated and amended

by the Board of Directors of the Association. Copies of such rules and regulations shall be furnished by the Board of Directors of the Association to each Unit owner prior to their effective date.

Section 7. DEDICATION FOR UTILITIES: Declarant hereby reserves for the Association acting by and in the discretion of its Board of Directors the right to grant and/or dedicate to the Village of Saukville, Wisconsin, the County of Ozaukee, Wisconsin or public or semi-public utility companies, easements and rights-of-way (and any and all improvements contained therein) for the erection, construction and maintenance of all poles, wires, pipes and conduits for the transmission of electricity, gas, water, telephone and for other purposes, for sewers, storm water drains, gas mains, water pipes and mains, and similar service, and for performing any public or quasi-public utility function that the Village of Saukville or Ozaukee County shall require or that the Board of Directors may deem fit and proper for the improvement and benefit of the Condominium. Such easements and rights-of-way shall be confined, so far as possible, in underground pipes or other conduits, with the necessary rights of ingress and egress and with the rights to do whatever may be necessary to carry out the purposes for which the easement is created.

Section 8. CONSTRUCTION OF TERMS: All terms used in this Declaration shall have the same meaning as used or defined in the Wisconsin Condominium Ownership Act unless the context of this Declaration requires or specifically provides otherwise.

ARTICLE XI INSURANCE

Section 1. OBLIGATION OF ASSOCIATION: The Association, for the benefit of all Unit Owners, shall insure the Property against loss or damage by fire and such other hazards as the Association may deem desirable, for the right of each Unit Owner to also insure said Unit Owner's own Unit for said Unit Owner's own benefit. The premiums for such insurance on the Property shall be deemed common expenses; provided, however, that in charging the same to the Unit Owners, consideration may be given to the higher premium rates on some Units than on others. Such insurance coverage shall be written in the name of, losses under shall be adjusted by, and the proceeds of such insurance shall be payable to, the Association as trustee for the Unit Owners or Unit Owner. The Association may engage the services of any bank or trust company authorized to do trust business in Wisconsin to act as trustee, agent, or depositary on behalf of the Association for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms and the Association shall determine consistent with the provision of this Declaration. The fees of such corporate trustee shall be common expenses. In the event of any loss is excess of \$50,000.00 in the aggregate, the Association shall engage a corporate trustee as aforesaid, or in the event of any loss resulting in the destruction of the major portion of one or more Units, the Association shall engage a corporate trustee as aforesaid upon the written demand of the mortgagee or Owner of any Unit so destroyed.

Section 2. COMBINED INSURANCE: If insurance coverage is available to combine protection for the Association with the Unit Owner's individual Unit, the Board of Directors is hereby given discretionary power to negotiate such combination of insurance protection on an equitable cost sharing basis under which the Unit Owner would be assessed individually for the amount of insurance which said Unit Owner directs the Board of Directors to including in such policies for said Unit Owner's additional protection. Copies of all such policies shall be provided to each mortgagee. Nothing contained in this paragraph shall be deemed to prohibit any Unit Owner, at said Unit Owner's own expense, to provide any additional insurance coverage on said Unit Owner's improvements or on said Unit Owner's Unit which will not duplicate any insurance provided by the Association or Unit Owner.

Section 3. INSURANCE PROCEEDS: The proceeds of such insurance shall be applied by the Association or by the trustee on behalf of the Association for the repair or reconstruction of the Common Elements and Unit or Units; and the rights of the mortgage of any Unit under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provision herein with respect to the application of insurance proceeds to reconstruction of the Unit or Units. Payment by an insurance company to the Association or to such trustee of the proceeds of any policy, and the receipt of release from the Association of the company's liability under such policy, shall constitute a full discharge of such insurance company, and such

company shall be under no obligation to inquire into the terms of any trust under which such proceeds may be held pursuant thereto, or to take notice of any standard mortgage clause endorsement inconsistent with the provisions hereof, or to see to the application of any payments of the proceeds of any policy by the Association or the corporate trustee.

Section 4. DESTRUCTION AND RECONSTRUCTION:

- (a) In the event of a partial or total destruction of one or more Units, they shall be rebuilt and repaired as soon as practicable and substantially to the same design, plan and specifications as originally built, unless within thirty (30) days after such partial or total destruction, all of the Owners of Units and two-thirds (2/3) of the holders of first mortgages subject to this Declaration agree not to repair or rebuild. On reconstruction the design, plan and specification of any building or Unit may vary from that of the original upon approval of the Association; provided, however, that the number of square feet of any Unit may not vary by more than five percent (5%) from the number of square feet for such Unit as originally constructed, and the location of the Unit shall be substantially the same as prior to the damage or destruction.
- (b) In the event the Condominium is destroyed or damaged in an amount in excess of 20% of the replacement cost of the entire Condominium, and insurance proceeds, if any, constitute less than 80% of the cost of completing repair or reconstruction, action by the Association by vote of 75% or more of all Unit Owners taken within 90 days after such damage or destruction shall be necessary to determine not to repair or reconstruct the Condominium. Damage or destruction to a lesser extent, and damage or destruction to a greater extent but for which insurance proceeds are equal to or greater than 80% of the cost of completing repair or reconstruction, shall be repaired and reconstructed pursuant to arrangement by the Board of Directors of the Association.

Section 5. PARTITION: The Association shall have the right to levy assessments against the Units involved in the event that the proceeds of any insurance collected are insufficient to pay the estimated or actual costs of repair or reconstruction; provided, however, that in the event of damage to an extent more than the available insurance, this Condominium shall be subject to an action for partition, upon obtaining the written consent of the Unit Owners having no less than seventy-five percent (75%) of the votes. In the event of partition, the net proceeds of sale, together with any net proceeds of insurance shall be considered as one fund and shall be divided among all Unit Owners in proportion to their liability for assessments and shall be distributed in accordance with the percentage interests in each Unit.

Section 6. OTHER INSURANCE: The Association shall maintain, as a common expense, the following insurance coverages:

- (a) Public liability insurance covering the Association and the Board and Members of the Association against liability for damages or personal injuries sustained by any person, firm or corporation arising out of or resulting in whole or in part from the condition, use or operation of any Common Elements or from any activity of the Association, with limits of not less than \$500,000/person and \$1,000,000/occurrence for bodily injury or death and not less than \$250,000/occurrence for property damage, including a waiver of subrogation rights against any member, Officer or Director of the Association;
- (b) Workmen's Compensation insurance to the extent necessary to comply with applicable law;
- (c) Indemnity, faithful performance, fidelity and other bonds, as may be required by the Board, to carry out the Association functions and to in sure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with management or possession of Association funds or other property;

(d) Any other insurance coverage or additional protection which the Board may deem necessary or advisable, including without limitation comprehensive liability insurance.

ARTICLE XII NOTICES

All notice and other documents required to be given by this Declaration or by the By-Laws of the Association, shall be sufficient if given to one registered owner of a Unit regardless of the number of Owners who have an interest therein. Notice and other documents to be served upon Declarant or the Association shall be personally served on the Registered Agent specified for receipt of process or mailed by certified mail, return receipt requested to the Registered Agent as currently identified in this Declaration. All Owners shall provide the Secretary of the Association with the address for the mailing or service of any notice or other documents and the Secretary shall be deemed to have discharged said Unit Owner's duty with respect to giving of such notice by mailing it or having it delivered personally to such address as is on file with said Secretary. If the Unit Owners fail to provide such address, the Secretary shall be deemed to have discharged said Unit Owner's duty with respect to the giving of such notice by mailing it or having it delivered personally to the Unit.

ARTICLE XIII EXCULPATION OF ASSOCIATION LIABILITY

In the event any Unit Owner shall suffer damages to the contents, improvements or betterments of said Unit Owner's Unit, as a result of water damages caused by the bursting of any plumbing or heating pipes, no liability therefor shall attach to the Association and the cost for such repairs shall accrue to such individual Unit Owner.

ARTICLE XIV DECLARANT'S RIGHTS

Until such time as Declarant has sold all of the Units in the condominium Declarant shall have the right to use any unsold Units and the Common Areas as may be necessary to expedite the sale of Units, including, but not limited to, the maintaining of sales office, the holding of open house and the erecting of signs.

ARTICLE XV EXPANDING CONDOMINIUM

This condominium project is not expandable.

ARTICLE XVI GRIEVANCE PROCEDURE

Section 1. COMPLAINT. The Board of Directors or any Unit Owner may file a written complaint with the Secretary of the Association against another Unit Owner for violation of the Wisconsin Condominium Ownership Act, this Declaration, the By-Laws and any rules and regulations promulgated hereunder. Upon receipt of a complaint, the Secretary shall furnish a written notice of the alleged violation, the penalties therefor and the hearing procedure to the Unit Owner complained of by personal delivery or by certified mail, return receipt requested. The Unit Owner complained of may within fifteen (15) days of delivery of or mailing of the notice file a written answer with the Secretary admitting ordenying the allegations in the notice. If, within the time period allowed, the Unit Owner

complained of denies the allegations of the notice, the Secretary shall schedule a hearing before a Grievance Committee created by the Board of Directors pursuant to this Declaration, to be held not less than 14 nor more than 30 days after delivery or mailing of a notice of hearing to the parties.

Section 2. MAILING. Upon the delivery or mailing of the notice of hearing, the Board of Directors of the Association shall appoint a Grievance Committee. The Grievance Committee shall consist of three Unit Owners who are not members of the Board of Directors, relatives of the Unit Owner complaining or complained of, witnesses at the hearing or persons otherwise interested in the hearing.

Section 3. HEARING. The hearing shall be conducted by the Grievance Committee. The Board of Directors shall represent the complaining Unit Owner. The parties and the Grievance Committee shall be entitled to representation at the hearing by counsel and shall be entitled to examine and cross-examine witnesses. When summoned by the Grievance Committee to do so, it shall be the obligation of each Unit Owner to appear and testify at the hearing and to produce records and dates relevant to the subject matter of the hearing. The hearing shall be informal and conformity to legal rules of evidence shall not be required. Within seven (7) days after the conclusion of the hearing, the Grievance Committee shall file a written decision with the Secretary which shall be binding upon the Unit Owners.

Section 4. DETERMINATION. Upon a determination by the Grievance Committee that a violation has occurred, the Board of Directors may, without limiting any other rights set forth in the By-Laws, restrict the right of the defaulting Unit to the use of portions of the Common Elements and/or impose a fine against the defaulting Unit Owner in the amount of \$50.00 for the first violation and \$250.00 for subsequent violations of the same offense, which if not paid within three days shall bear interest at the rate of 18.0% per annum. When imposed, such fine shall constitute a special assessment against the Unit Owner and if unpaid may be foreclosed against the Owner's Unit.

ARTICLE XVII GENERAL PROVISIONS

Section 1. ENFORCEMENT: The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations, now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall inno event be deemed a waiver of the right to do so thereafter. The Declaration, By-Laws and the rules and regulations as may be adopted by the Association from time to time may be enforced by such means as the Association deems necessary and appropriate, including recourse to civil activities, court action if necessary, and monetary fines in such amounts as may be enacted from time to time as a part of the rules and regulations to be charges and assessed against the Owners of Units who violate or whose guests or unit occupants violate these provisions or the rules and regulations. Such fines shall be charged and assessed against the subject Unit and may be enforced and collated as n assessment for common expenses, including the foreclosure of a lien therefor.

Section 2. SEVERABILITY: If any provision, or any part thereof, of this Declaration or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Declaration, or the application of such provision, or any part thereof, to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision or any part thereof, of this Declaration shall be valid, and be enforced to the fullest extent.

Section 3. FAILURE OF ASSOCIATION TO INSIST ON STRICT PERFORMANCE NOT WAIVER: The failure of the Association to insist, in any one or more instance, upon the strict performance of any of the terms, covenants, condition or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of payment of any assessment from a Unit Owner, with knowledge of the breach of any covenant thereof, shall not be deemed as a waiver of such breach, and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Association

Section 4. TERMINATION: This Declaration may be terminated only by the unanimous consent of all of the Owners of all Units and all of the parties holding mortgages, liens or other encumbrances against any of said Units, in which event the termination of the Declaration shall be by such plan as may be then adopted by said Owners and parties holding any mortgages, liens or other encumbrances. The instruments necessary for such termination shall be recorded in Ozaukee County, Wisconsin.

Section 5. AMENDMENTS: Except as otherwise provided in this Declaration or as hereinafter limited and provided, this Declaration may be amended in the manner allowed by law at the time of the amendment; provided, however, that, as long as Declarant owns any unsold Unit, including, but not limited to any and all Units, built or unbuilt no amendment to this Declaration shall be effective unless consented to in writing by Declarant. No amendment to this Declaration shall be adopted which would operate to affect the validity or priority of any mortgage or which would alter, amend or modify, in any manner whatsoever, the rights, powers and privileges granted and reserved herein in favor of any mortgage, without the consent of all such mortgagees.

Any Amendment to this Declaration shall be recorded with the Register of Deeds for Ozaukee County, Wisconsin, and a copy of same shall be sent to the Condominium Owner's Association.

Section 6. REGISTERED AGENT FOR SERVICE OF PROCESS: The initial registered agent for service of process and the address for the registered agent, shall be: JBJDevelop, L.P.; W178 N9912 Rivercrest Drive, Suite 101; Germantown, WI 53022 Change of agent for service of process may be accomplished by resolution of the Board of Directors of the Association and upon proper filing of said name with the Department of Financial Institutions of the State of Wisconsin and, if required by law, with the Register of Deeds for Ozaukee County, Wisconsin.

Section 7. NUMBER AND GENDER: Whenever used herein, unless the context shall otherwise provide the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

Section 8. CAPTIONS: The Captions and Article headings herein are intended only as matters of convenience and for reference and in no way define or limit the scope or intent of the various provisions hereof.

Section 9. RIGHT OF FIRST REFUSAL: The Association shall have no right of first refusal or option to purchase any right, title, share or interest in any Unit, common area, element or fixture, or any property which is subject to this Declaration.

Dated this 23rd day of February, 2004.

JBJDEVELOP, L.P.

BY JBJRE, L.L.C. as General Partner

Theresa M. Weitermann Member

COPY

Signature of Theresa M. Weitermann authenticated this 23rd day of February, 2004.

Richard A. Rechlicz

Member State Bar of Wisconsin

State Bar 1016926

This instrument was drafted by:

Richard A. Rechlicz, Esq. Ladewig, Rechlicz & Iggens N88 W15125 Main Street Menomonee Falls, WI 53051 (262) 251-2245

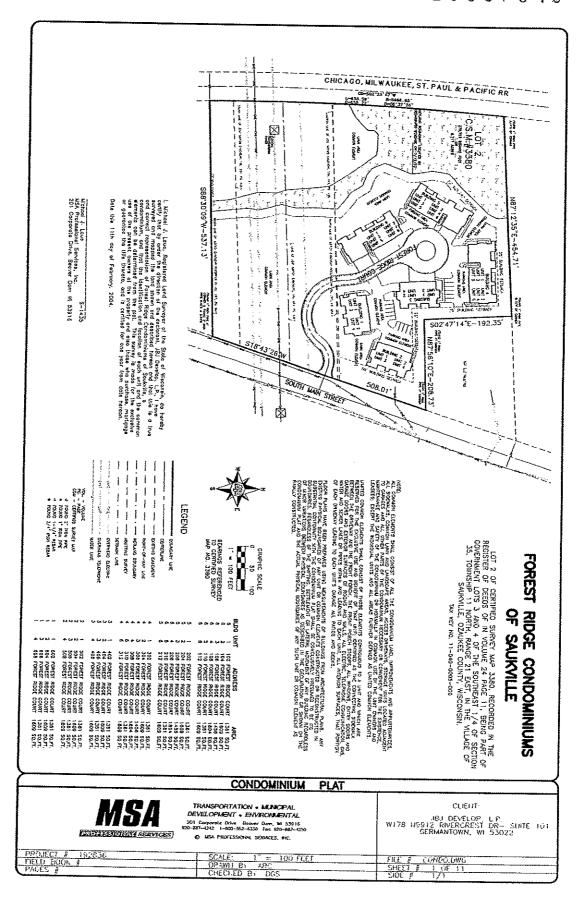
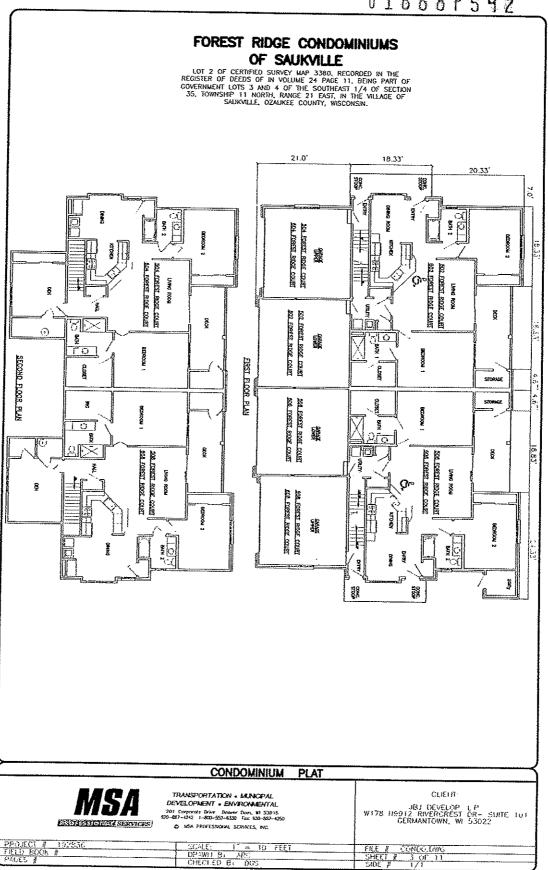
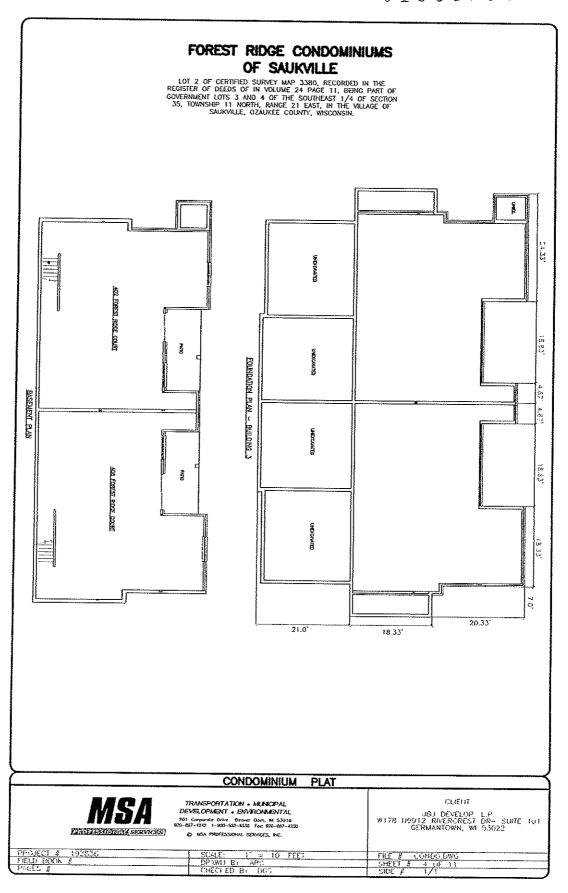
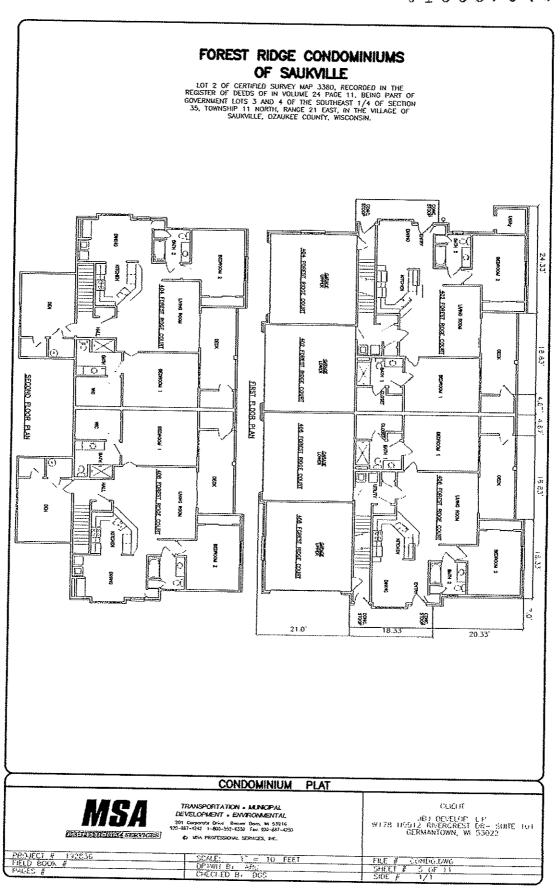
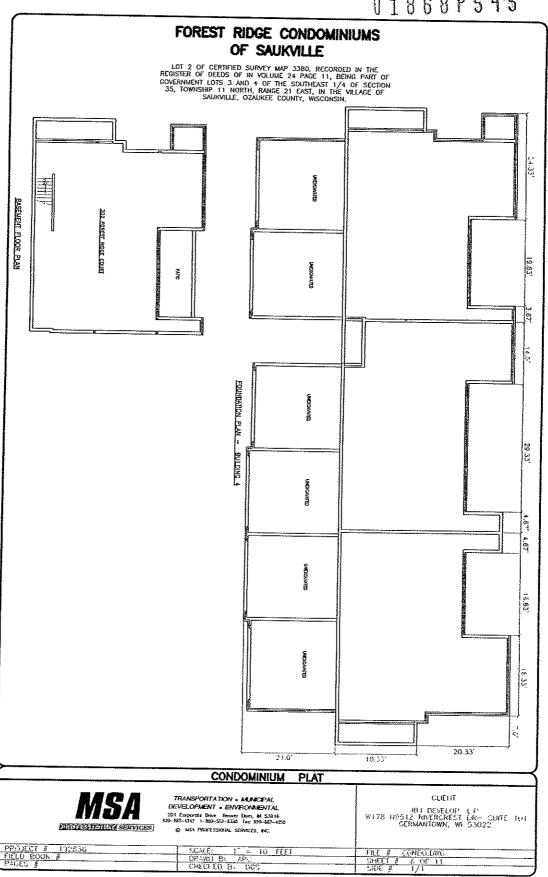


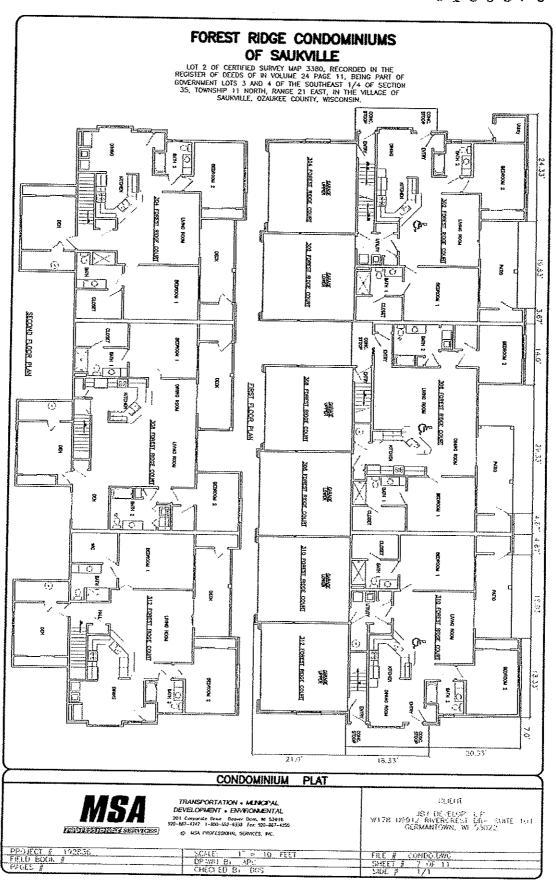
EXHIBIT B



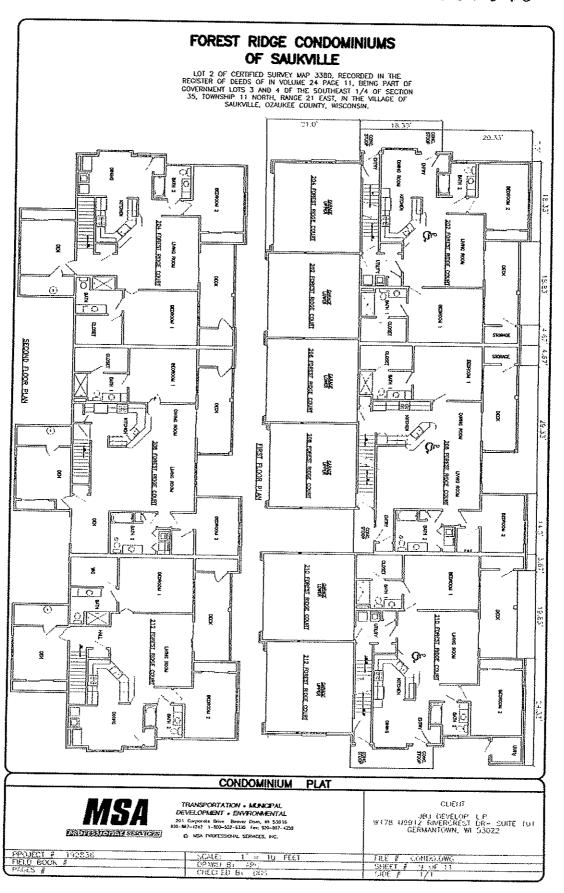


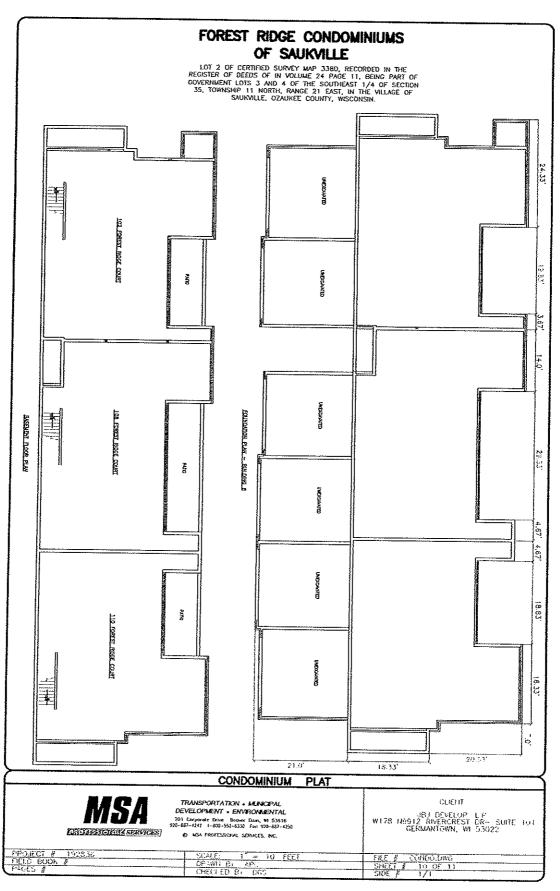


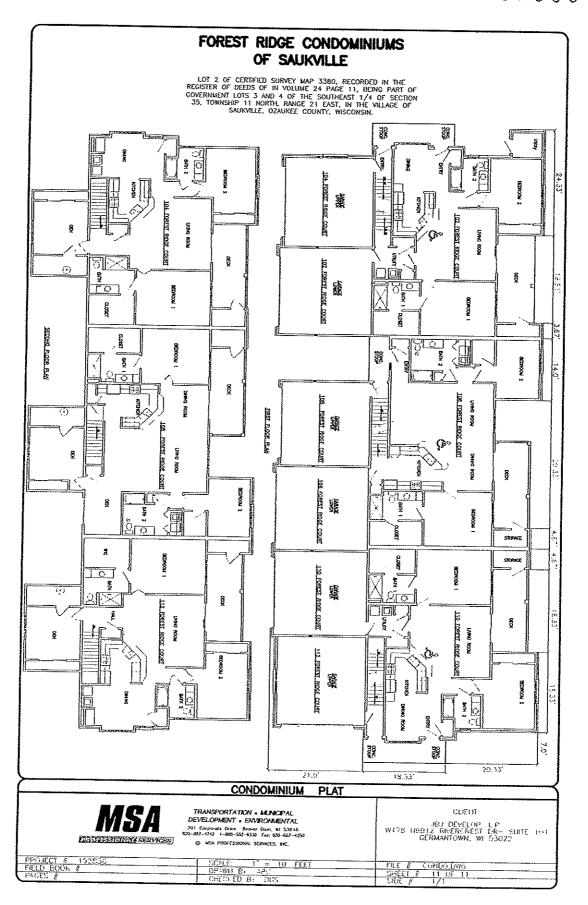












STATUTORY RESERVE ACCOUNT STATEMENT

WHEREAS, JBJDevelop, L.P. (hereinafter referred to as "Developer/Declarant") has subjected certain property hereinafter described to the provisions of the Wisconsin Condominium Ownership Act, Chapter 703, Wis. Stats., by the recording of a certain DECLARATION OF CONDOMINIUM OWNERSHIP AND OF EASEMENTS, RESTRICTIONS, COVENANTS AND CONDITIONS FOR FOREST RIDGE CONDOMINIUMS OF SAUKVILLE, same being recorded with the office of the Register of Deeds for Ozaukee County, Wisconsin on March 3, 2004 as Document No. 786760;

NOW, THEREFORE, pursuant to Section 703.163(3)(c), Wis. Stats., Declarant hereby elects not to establish a statutory reserve account per Sec. 703.163(3)(a).

The real estate which is the subject of this document is located in the Village of Saukville, Ozaukee County, Wisconsin and more particularly described as follows: **0808377**

RONALD A. VOIGT OZAUKEE COUNTY REGISTER OF DEEDS PORT WASHINGTON, WI IXID: 9788

RECORDED ON 12/16/2004 09:36AM

> REC FEE: 11.00 TRANS FEE: 0.00 PAGES: 1 EXEMPT #: 0

Return To:

Richard A. Rechlicz, Esq. Ladewig, Rechlicz & Iggens N88 W15125 Main Street Menomonee Falls, WI 53051

\$ 11

Tax Key No. 11-040-0005-000

Lot 2 of Certified Survey Map No. 3380 as recorded September 18, 2002 at 10:15 a.m. in the Office of the Register of Deeds in and for Ozaukee County, Wisconsin in Volume 24 of Certified Survey Maps on page 11 as Document No. 721604, and being part of the Government Lots 3 and 4 of the Southeast Quarter of Section 35, Township11 North., Range 21East, Village of Saukville, Ozaukee County, Wisconsin.

Dated this 15th day of December, 2004.

JBJDEVELOP, L.P.

BY JBJRE, L.L.C. as General Partner

Theresa M. Weitermann, Member

Subscribed to and sworn to before me this 15th day of December, 2004.

Richard A. Rechlicz

Notary Public, State of Wisconsin

My commission is permanent

THIS INSTRUMENT WAS DRAFTED BY:

Richard A. Rechlicz, Esq.

Ladewig, Rechlicz & Iggens

N88 W15125 Main Street

Menomonee Falls, WI 53051

(262) 251-2245

11-102-01-01-000 # 11-102-01-02-000 11-102-01-03-000 11-102-01-04.000 11-102-02-01-000 11-109-00-00-000 11-102-02-03-000 11-109-08-04-000 11-109-03-01-000 11-100-03-00-000 11-102-05-03-000 11-102-05-04-000 11-102-03-03-000 11-102-05-05-0∞ 11-102.03-04-000 11-102-05-06-000 11-102-04-01-000 11-102-06-01-000 11-102-04-02-000 11-102-06-02-000 11-102-04-03-000 11-102-06-03-000 11-102-04-04-000 11-102-06-04-000 11-102-04-05-000 11-102-06-05-000 11-102-04-06-000 11-100-06-06-000 11-102-05-01-000 11-102-05-02-000)

Forest Ridge Condominiums of Saukville

W178 N9912 Rivercrest Drive Suite 101 Germantown, WI 53022

\$115.00 per month Association Fee includes:

Phone: 262-255-1800

Fax: 262-255-2234

- Lawn Maintenance (Mow/Fertilize/Weed Control/Pruning)
- Snow Removal
- Exterior Building Maintenance and repair
- Sign maintenance
- * Exterior lighting electric and maintenance
- Trash Removal
- Insurance (Building and grounds excluding contents which should be obtained by individual owners)
- Maintenance of private road and driveways
- ❖ Maintenance of private sewer/water system for the condominiums
- Sewer/Water usage for common areas (watering)
- Legal and accounting and office expenses
- Professional management

Please refer to the Forest Ridge Condominium disclosure documents for complete details of the association requirements.

Budget as of January 1, 2005. The foregoing projected budget is based on an estimate of costs and expenses as of the date of drafting. The projected budget is not intended to be a representation, guarantee or warranty of any kind whatsoever or an assurance that the actual expenses may not vary from the amounts shown. It may be expected, based on current trends, that such items such as maintenance, repair, labor, insurance premiums and other related expenses will change in the future.

BY-LAWS

<u>OF</u>

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# BY-LAWS OF FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC.

# ARTICLE I GENERAL PURPOSE, NAME AND LOCATION

Section 1. PURPOSE: Pursuant to the Declaration of Condominium for FOREST RIDGE CONDOMINIUMS OF SAUKVILLE recorded as Document No. V1868P514 in the Office of the Register of Deeds, in and for Ozaukee County, Wisconsin and any amendments thereto (hereinafter the "Declaration"), the following terms, conditions and provisions are adopted as the By-Laws (hereinafter the "By-Laws") of the Association of Unit Owners for FOREST RIDGE CONDOMINIUMS OF SAUKVILLE (hereinafter the "Association") which shall govern the administration of all real estate and improvements subjected to the condominium form of use and ownership (hereinafter the "Subject Property") in accordance with the Declaration and the Condominium Ownership Act for the State of Wisconsin (hereinafter the "Act") as may be amended from time to time.

Section 2. NAME AND LOCATION: The name of the Association shall be FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC., hereafter referred to as the "Association". The principal office of the Association and the mailing address of the Association shall be W178 N9912 Rivercrest Drive, Suite 101; Germantown, Wisconsin, 53022. Meetings of Members and Directors may be held at other places within the State of Wisconsin and as may be determined from time to time.

Section 3. PERSONS SUBJECT TO BY-LAWS: These By-Laws shall govern and bind all Unit Owners, joint Owners, mortgagees and other encumbrancers and their respective heirs, personal representatives, successors, assigns, and lessees, as well as all other persons occupying or having any legal or equitable interest in the Subject Property in any way whatsoever and all licensees and shall be deemed covenants running with the land.

### ARTICLE II DEFINITIONS

Section 1. ASSOCIATION: Shall mean and refer to FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC., a corporation organized pursuant to Chapter 181 <u>Wis. Stats.</u>, its successors and assigns.

Section 2. SUBJECT PROPERTY: Shall mean and refer to that certain real property described in the Declaration of Condominium Ownership, and any supplements thereto or amendments thereof.

Section 3. COMMON ELEMENTS: Shall mean and refer, unless otherwise provided in the Declaration or amendments thereto, to the common areas and facilities consisting of the land and the entire premises described in the Condominium Plat, excepting the Units and excepting and subject to any structures built or improvements installed by or for public utilities.

Section 4. UNIT: Shall mean and refer to any Unit shown upon the recorded Condominium Plat.

Section 5. UNIT OWNER shall refer to and mean the record owner of a Unit and the percentage interest in the Common Elements associated with said Unit. If there is more than one record owner, the record owner shall be deemed to be collectively referred to as the Unit Owner.

 $Section \, 6. \,\, DECLARANT: \,\, Shall \,\, mean \,\, and \,\, refer \,to \,\, JBJD evelop, L.P., a \,\, Wisconsin \,\, limited \,\, partnership. \,\, Declarant \,\, may \,\, also \,\, be \,\, referred \,\, to \,\, as \,\, Developer.$ 

Section 7. DECLARATION: Shall mean and refer to the Declaration of Condominium Ownership applicable to the Subject Property to be recorded in the office of the Register of Deeds for Ozaukee County, Wisconsin, and any supplements or amendments thereto as provided in said Declaration.

Section 8. MEMBER: Shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9: REFERENCE TO DECLARATION: The terms defined or referred to in the Declaration are hereby adopted for these By-Laws (and any amendments hereto); and all terms defined by the Act are also adopted for these By-Laws except as modified, inconsistent with or otherwise defined by the Declaration or these By-Laws.

# ARTICLE III ASSOCIATION MEMBERSHIP

Section 1. MEMBERSHIP. Every Owner of a Unit shall be entitled and required to be a member of the Association and shall remain a member of the Association until such time as ownership of such Unit ceases, for any reason, at which time membership shall automatically cease. If title to a Unit is held by more than one person, each of such persons shall be Members. An Owner of more than one Unit shall be entitled to one membership for each such Unit owned. Each such membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically by conveyance of that Unit. No person or entity other than an Owner of a Unit or Declarant may be a Member of the Association, and membership in the Association may not be transferred except in connection with the transfer of title to a Unit; provided, however, that the rights of voting may be assigned to a Mortgagee as further security for a loan secured by a mortgage on a Unit.

# ARTICLE IV VOTING AND MEETING

Section 1. VOTING The Association shall have two (2) classes of voting members and the rights and qualifications of the Members are as follows:

### (a) Class A Members:

- (i) <u>Defined</u>. Class A Members shall be all Unit Owners, with the initial exception of Declarant, and each Owner shall have one (1) vote for each Unit owned.
- One Membership per Unit. One (1) Class A Membership (evidenced by a Certificate of (ii) Membership in the Association, if issued) and one (1) vote shall exist for each Unit, excepting those Units owned by Declarant. An Owner shall be entitled to one (1) vote for each Unit owned, and there shall be only one vote in the Association pertaining to each Unit. If more than one person holds an interest in any Unit, the vote for such Unit shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast. There shall be no splitting of a single vote and factional votes shall not be cast. if only one of multiple owners of a unit is present at a meeting of the Association, the owner present is entitled to cast the vote allocated to that Unit. If more than one of the multiple owners is present, and any one of them purports to cast the vote allocated to that unit on any issue without protest being made promptly by any of the other owners of such unit to the person presiding over the meeting, it shall be conclusively presumed that such voting owner had the authority to cast the vote. In the event of such a protest, if such dispute is not resolved by the multiple owners prior to the vote being completed, they shall not be entitled to case a vote.

### (iii) Membership Roster.

(1.) Every Unit shall furnish the Association with name, Unit number and current mailing address and name of the person designated to vote said Unit interest. Each Unit Owner shall be responsible for furnishing to the Secretary the information necessary for the Association to maintain an up-to-date Membership Roster, without the necessity of any inquiry or request being made by the Secretary. In the event a Unit Owner's mailing address should be changed, the Unit Owner shall notify the Association, in writing, of such change. No Unit Owner may vote at meetings of the Association until such information is furnished. The Association shall maintain a current Membership Roster showing the Unit Owners of each Unit, mailing addresses and the person so designated being entitled to cast a vote in person or by proxy and the name and address of any person, firm or entity from which the Association has received proper notice of demand for notice of meetings.

- (2.) A Designee may be appointed by joint Owners of a Unit to vote and receive notices on behalf of the joint Owners and the Association shall at all times be entitled to rely upon the authority of such Designee; and all joint Owners shall be bound by the Designee's vote and other actions. The appointment of such a Designee shall be made by written notice signed by each of the joint Owners and delivered to the Secretary of the Association stating the name, address and telephone number of such Designee and that the Designee is thereby appointed to vote and receive all notices on behalf of all joint Owners of the Unit. The authority of such a Designee may be revoked or a new Designee appointed at any time by written notice delivered to the Secretary signed by all joint Owners. A designation may be changed by notice, in writing, to the Secretary of the Association signed by a majority of the persons having ownership interest in the unit.
- (3.) Pursuant to Sec. 703.10(4), Wis. Stats., in the event the Association files a Statement of Condominium Lien on a Unit for failure to pay assessments or other expenses, the Unit Owner or Owners and their Designee shall be prohibited from voting at any membership meeting unless and until the amount necessary to release said lien has been paid at the time of said membership meeting.
- (iv) Transfer of Membership. Each membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically upon conveyance of that Unit. Membership in the Association may not be transferred, except in connection with the transfer of a Unit. Upon transfer of a Unit, the Association shall, as soon as possible thereafter, be given written notice of such transfer including the name and current mailing address of the new owner or owners, identification of the Unit, date of transfer, name of the person designated to vote, and any other information about the transfer which the Association may deem pertinent and the Association shall make appropriate changes to the Membership Roster effective as of the date of said transfer.
- (v) All notices required to be given to a Unit Owner shall be deemed to have been duly given:
  - (1.) At the time of personal delivery to the Unit Owner or one of the joint Owners or the Designee of joint Owners; or
  - (2.) 72 hours after mailing within the State of Wisconsin by regular or certified mail to the Unit Owner's or Designee's mailing address shown in the Membership List.

### (b) Class B Members:

- (i) <u>Defined</u>. Class B Members shall be the Declarant which shall be entitled to one (1) membership and two (2) votes for each Unit owned or to be created by Declarant, (up to 60 votes). Each Class B membership shall cease and be converted to a Class A membership upon transfer by Declarant of the Unit to which said Class B membership appertains.
- (ii) Rights of Declarant. Declarant shall be entitled to two (2) votes for each Unit owned or to be built and shall have the right, at Declarant's option, to exercise any and all powers and responsibility otherwise assigned by the Declaration, the Act or the By-Laws to the Association or its officers and Declarant shall have sufficient votes to constitute a majority of votes until Declarant's Units are sold; provided, further, that, pursuant to Sec. 703.15(c), Wis. Stats., Declarant's control shall cease the earlier of (a) ten (10) years in the case of an expandable condominium; (b) three (3) years from the date the first Unit is conveyed to any person other than Declarant or (c) thirty (30) days after the conveyance of 75% of the common element interest to purchasers. Notwithstanding the foregoing, if there is another Unit Owner other than Declarant, the Declaration may not be amended to increase the scope or period of Declarant's control. Each owner of a condominium Unit in the condominium shall be deemed by acceptance of any deed to any unit to agree, approve and consent to the right of Declarant to so control the Association.

# ARTICLE V MEETING OF MEMBERS

Section 1. ANNUAL MEETING: The first annual meeting of the Members shall be held prior to the conveyance of twenty-five percent (25%) of the Common Element interest to purchasers, but in no event less than within one (1) year from the date of recording of the Declaration, and each subsequent annual meeting of Members shall be held on such date as may be determined each year by the Board of Directors, provided such date shall be a date within thirty (30) days prior to the anniversary date of the first annual meeting. The purpose of each annual meeting of the Members shall be for the election of Directors and the transaction of such other business as may come before the meeting.

Section 2. SPECIAL MEETING: Special meeting of the Members shall be held whenever called by the Board of Directors or by the President and such meeting must be called by said officer and Board of Directors upon receipt of a written request signed by Members who are entitled to vote twenty-five percent (25%) of all of the votes, with such request specifying the purpose of such meeting.

Section 3. PLACE OF MEETING: Meetings of the Unit Owners shall be held at the principal office of the property or at such other suitable place convenient to the Owners as may be designated by the Board of Directors.

Section 4. NOTICE OF MEETINGS: Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or other person authorized to call a meeting, by delivering written notice, either personally or by mail at least ten (10) days before such meeting to each voting Member entitled to vote thereat, last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. In lieu of such notice, waivers may be accepted from all Unit Owners.

Section 5. QUORUM: The presence at the meeting, in person or by proxy, of twenty-five percent (25%) of the Units entitled to cast votes shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. If a quorum is present at such an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 6. PROXIES: All proxies shall be in writing and filed with and delivered to the Association pursuant to the Declaration Every proxy shall be effective for a maximum period of one hundred eighty (180) days (unless granted to a Mortgagee or lessee), shall be revocable and shall automatically cease upon conveyance by the Member of said Member's unit.

Section 7. MAJORITY OF UNITOWNERS: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. The act of amajority of the votes at any meeting at which a quorum is present shall be the act of the Association, unless a greater percentage is required under the Act, the Declaration, or these By-Laws.

Section 8. ORDER OF BUSINESS: The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of committees.
- (f) Election of Directors (when applicable).
- (g) Unfinished business.
- (h) New business.

Section 9. PARLIAMENTARY PROCEDURE: Except where inconsistent with these By-Laws, meetings of the Association shall be conducted in accordance with the latest revised edition of "Roberts Rules of Order".

Section 10. DECLARANT'S CONTROL: Except as provided in ARTICLE VI, Section 1, below, Declarant, or a person or persons authorized by it may appoint and remove the officers of the Association and exercise powers and responsibilities of the Association; provided, however, that such control shall cease the earlier of three (3) years from the date the first Unit is conveyed to a purchaser other than Declarant or thirty (30) days after the conveyance of 75% of the common element interest to purchasers.

Section 11. RIGHTS OF DECLARANT PRIOR TO TRANSFER: As long as the Declarant shall own any Unit except for a Unit which Declarant is using as a office, Declarant may use the Common Elements and facilities and any unsold Units on such condominium property as may facilitate the completion and sale of all Units contemplated thereon, including, but not limited to, in connection therewith, maintaining a sales office, maintaining a model unit, showing of property and erecting and maintaining signs of the Common Area.

Section 12. MISCELLANEOUS: The President of the Association, or the Vice-President in the President's absence, shall preside at the meetings of the Association, the Secretary of the Association shall keep the minute book for recording the resolutions of the Association and shall count the votes at meetings of the Association.

### ARTICLE VI BOARD OF DIRECTORS

Section 1. APPOINTMENT AND ELECTION OF INITIAL BOARD OF DIRECTORS: The affairs of this Association shall be managed by a Board of Directors. Such Board shall be created and its member appointed or elected, as the case may be, as follows:

- (a) The initial Board of Directors shall consist of three (3) persons, appoint by Declarant, who need not be members of the Association, to serve until control of the Association passes to the Unit Owners pursuant to terms of the Declaration.
- Notwithstanding the foregoing and pursuant to Sec. 703.14(2)(c)2, prior to the conveyance twenty-five percent (25%) of the Common Element interest to purchasers, an Association meeting shall be held and the Unit Owners other than Declarant shall elect at least twenty-five percent (25%) of the Board of Directors. Prior to the conveyance of fifty percent (50%) of the Common Element interest to purchasers, an Association meeting shall be held and the Unit Owners other than Declarant shall elect at least one-third (1/3) of the Board of Directors. For purposes of the foregoing, the calculation of percentage of Common Element interest conveyed to purchasers shall be based on the percentage of undivided interest conveyed to purchasers shall be based on the percentage of undivided interest appertaining to each unit, including but not limited to any and all units not yet annexed to the project which Declarant has the right to annex pursuant to the Declaration.

Section 2. NUMBER AND QUALIFICATION OF DIRECTORS. After control of the Association passes to the Unit Owners pursuant to terms of the Declaration, the Board of Directors shall consist of three (3) persons. The Directors shall be to be classified with respect to the terms for which they severally hold office as set forth in Paragraph 3 of this Article VI. Not more than one member of the Board of Directors may be a person who is not a member of the Association. In the event that any member of the Association is not a natural person, the appointee of such member of the Association may be a member of the Board of Directors, and such appointee shall not constitute a non-member for purposes of the foregoing provision.

Section 3. ELECTION AND TERM OF OFFICE: (a) At the first annual meeting of the Association after Association control passes to the Unit Owners, the members shall elect three (3) directors to the classified with respect to the terms for which they hold office by dividing them into three (3) classes as follows:

- (i) One Director whose term will expire at the first annual meeting of the Association after said Director's election, or at such time as said Director's successor is duly elected and qualified (Class "A" Director).
- (ii) One Director whose term will expire at the second annual meeting of the Association after said Director's election, or at such time as said Director's successor is duly elected and qualified (Class "B" Director).
- (iii) One Director whose term will expire at the third annual meeting of the Association after said Director's election, or at such time as said Director's successor is duly elected and qualified (Class "C" Director).
- (b) The successors to the class of directors whose terms expire as set forth above shall be elected to hold office for a term of three (3) years or until their successors are duly elected and qualified, or until any of said Directors shall have been removed in the manner hereinafter provided, so that the term of one class of Directors shall expire in each year.
- (c) Any person interested in serving on the Board of Directors must notify the Board of Directors, in writing, of their interest at least thirty days prior to the annual meeting. The list of nominees shall be mailed with the notice of the annual meeting and the election shall be held at such annual meeting.

Section 4. REMOVAL: At any meeting of the membership, or at any special meeting of the membership called for that purpose, any one or more of the Directors may be removed with or without cause by a majority of the votes of the membership present or represented at such meeting, provided a quorum is in attendance, and a successor may then and there be elected to fill the vacancy thus created.

Section 5. VACANCIES. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the members shall be filled by a vote of the majority of the remaining Directors, even though they

may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the members at which that class of Directors is to be elected.

Section 6. ANNUAL MEETING AND NOTICE: An annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the members, for the purpose of election of officers and transacting such business as may come before the meeting. Notice of the regular annual meeting of the Board of Directors shall not be required.

Section 7. REGULAR MEETINGS AND NOTICE: The Board of Directors may provide by resolution for regular or periodic meetings of the Board, to be held at a fixed time and place, and upon the passage of any such resolution, such meetings shall be held at the stated time and place without the necessity of notice other than such resolution. Regular meetings may further be called by the President or by any two Directors upon not less than 7 days written notice to each Directors, given personally or by mail or facsimile transmission

Section 8. SPECIAL MEETINGS: Special meetings of the Board of Directors shall be held when called by the President or Secretary of the Association, or by two (2) Directors, after not less than seventy-two (72) hours notice to each Director, such notice shall be given personally or by mail, which notice shall state the time, place and purpose of such meeting.

Section 9. QUORUM: A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. If there is less than a quorum present at any meeting of the Board, no business shall be transacted; however, the majority of those present may adjourn the meeting from time to time without further notice if such adjourned meeting (at which a quorum is present) is held within ten (10) business days after the meeting originally scheduled. If a quorum is present at an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally noticed or scheduled.

Section 10. WAIVER OF NOTICE: Any Member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by said Unit Owner of the time and place thereof. If all the Members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11 ACTION TAKEN WITHOUT A MEETING: The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 12. COMPENSATION: No Director shall receive compensation for any service said Director may render to the Association as such. However, any Director may be reimbursed for said Director's actual expenses incurred in the performance of said Director's duties.

Section 13. BONDS: The Board of Directors may require that some or all officers and/or employees of the Association handling or responsible for Association's funds shall furnish adequate fidelity bonds. The premiums on any such bonds shall be paid for by the Association.

Section 14. POWERS AND DUTIES OF THE BOARD OF DIRECTORS: In addition to other powers as shall be necessary for the administration of the affairs of the Association and is allowed by the Act, the Declaration, the Articles of Incorporation and these By-Laws, the Directors shall have the power to:

- (a) Adopt budgets for revenues, expenditures and reserves and levy and collect assessments for common expenses from Unit Owners;
- (b) Employ and dismiss employees and agents;
- (c) Adopt and publish rules and regulations governing the use of the Common Elements and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (d) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved by Declarant prior to transfer of control of the affairs of the Association to the Association and not reserved to the Membership by other provisions of these By-Laws or the Declaration;
- (e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;
- (f) Sue on behalf of all Unit Owners:
- (g) Foreclose the lien against property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;
- (h) Adopt and amendrules and regulations covering the details of the operation and use of the property;
- (i) Open bank accounts on behalf of the property and to designate the signatories required therefor;
- (j) Purchase, lease, or otherwise acquire in the name of the Association, or its agent, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by the Owners to the Association;
- (k) Purchase Units at foreclosure or other judicial sales in the name of the Association, or its agent, corporate or otherwise, on behalf of all Unit Owners;

- (I) Sell, lease, mortgage, vote the votes appurtenant to (other than for the election of Directors), or otherwise dealing with Units acquired by the Association and to sublease Units leased by the Association or its agent, corporate or otherwise, on behalf of all Unit Owners;
- (m) Organize corporations to act as agents of the Association in acquiring title to or leasing of Units on behalf of all Unit Owners.
- (n) Create any committees to assist in the management and operation of the Association. The number of members on any committee created shall be determined by the Board of Directors at the time of the creation of said committee.
- (o) Borrow money and acquire and convey property on behalf of the Association, provided, however, that any single Association loan, acquisition, or conveyance, involving the sum of \$10,000.00 or more, shall first be approved by majority vote of the membership at an annual or special meeting called for such purpose.

Section 15. DUTIES: In addition to other duties as shall be required by the Act, the Declaration and these By-Laws for the administration of the affairs of the Association, it shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or at any special meeting when such statement is requested in writing by fifty (50%) of the Members who are entitled to vote;
- (b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) As provided in the Declaration, to:
  - (1) Fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;
  - (2) Send written notice of each assessment to every Owner subject thereto at least ten (10) days in advance of each annual assessment period.
- (d) Issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- (e) Procure and maintain adequate liability and hazard and other insurance on property owned by the Association;
- (f) Cause all officers, members of Board and employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) Cause the Common Elements to be maintained;
- (h) Charge, in its discretion, reasonable fees for the use of any recreational facility which may be constructed upon the Common Elements;
- (i) Suspend the voting rights of an Owner upon the recording of a statement of condominium lien on the Owner's Unit. Such suspension of voting rights shall continue until the amount necessary to release the lien has been paid in full.
- (j) Grant easements through or over Common Elements;
- (k) Grant or withhold approval of any action by a Unit Owner or other person which would change the exterior appearance of a Unit or any other portion of the Property;
- (l) Make contracts and incur liabilities in connection with the operation of the Property;
- (m) Maintain a current Membership Roster containing the names and addresses of Unit Owners and other parties of notice to which all notices shall be sent;
- (n) Deny the right to vote at an Association meeting to an Unit Owner who shall not have furnished to the Association the Unit Owner's name and current mailing address.

## ARTICLE VII OFFICERS AND THEIR DUTIES

At the time of the establishment of the Owner's Association, there shall be no Officers. The Board of Directors may, at their discretion and pursuant to law, elect Officers of the Corporation. Said officers and their duties shall be as follows:

(a) The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, to be elected annual by the Board of Directors, and such other officers as the Board of Directors may from time to time be resolution create. At any meeting of the Board of Directors at which a quorum is present, and upon the affirmative vote of amajority of the members of the Board of Directors in attendance at such meeting, any officer may be removed, either with or without

cause, and said Director's successor elected. Any two or more offices, except a combination of the offices of President and Secretary and a combination of the offices of President and Vice-President, may be held by the same person.

- (b) President. The President shall be selected from among the members of the Board of Directors and shall be the Chief Executive Officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors and shall have the general powers and duties to sign, together with any officer designated by the Board, any contracts, checks, drafts or other instruments on behalf of the Association in accordance with the provisions herein. The President shall perform such other duties and have such other authority as may be delegated by the Board of Directors.
- Vice-President. The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and Vice-President are unable to act, the Board of Directors shall appoint some other member of the Board to act on an interim basis. The Vice-President shall also perform such other duties as shall, from time to time, be imposed upon the Vice-President by the Board of Directors.
- (d) Secretary. The Secretary shall (i) keep the minutes of all meetings of the Board of Directors and of the Association; (ii) have charge of the Association's books and records, and (iii) in general, perform all duties incident to the office of the Secretary. The Secretary shall be responsible for maintaining the Membership Roster and, if so required by the Board, the issuance of membership certificates for the Association.
- (e) Treasurer. The Treasurer shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements and financial records and books of account on behalf of the Association. The Treasurer shall be responsible for the deposit of all monies and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also be responsible for the billing and collection of all common and special charges and assessment made by the Association. The Treasurer shall count votes at meetings of the Association.

# ARTICLE VIII COMMITTEES

Declarant may appoint an Architectural Control Committee, as provided in the Declaration. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose, including but not limited to, a Nominating Committee for the election of Members to the Board of Directors and officers of the Association.

# ARTICLE IX LIABILITY AND INDEMNITY OF DIRECTORS AND OFFICERS

Section 1. LIABILITY. No person shall be liable to the Association for any loss or damage suffered by it on account of any action taken or omitted to be taken by said Director as a Director or officer of the Association, if such person (a) exercised and used the same degree of care and skill as prudent man would have exercised or used under the circumstances in the conduct of said persons own affairs, or (b) took or omitted to take such action in reliance upon advice of counsel for the Association or upon statements made or information furnished by officers or employees of the Association which said person had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which said person may be entitled as a matter of law. The Board of Directors may provide Directors' and officers' liability insurance in such amounts and such coverage as may be determined by the Board of Directors to be necessary or advisable from time to time, and the premiums on any such insurance shall be a common expense of the Association.

Section 2. INDEMNITY: Every person who is or was a Director or an officer of the Association (together with the heirs, executors and administrators of such person) shall be indemnified by the Association against all loss, costs, damages and expenses (including reasonable attorneys' fees) asserted against, incurred by or imposed upon said Director in connection with or resulting from any claim action, suit or proceeding, including criminal proceedings, to which said Director is made, threatened to be made a party by reason of said Director being or having been such Director or officer, except as to matters as to which said Director shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of said Director's duty as such Director or officer in relation to the matter involved. The Association, by its Board of Directors, may indemnify in like manner, or with any limitations, taken or not taken in said Director's capacity as such employee. The foregoing rights of indemnification shall be in addition to all rights to which officers, Directors or employees may be entitled as a matter of law.

# ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Members or any Mortgagee. The Declaration, Articles of Incorporation and the By-Laws as well as annual reports of the Association shall be available for inspection by any Member or any Mortgagee at the principal office of the Association. Copies may be purchased at a reasonable cost.

## ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each Unit Owner is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, or installments thereof, which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after the due date, the assessment shall bear interest from the date of delinquency at a rate of interest which is two percent higher than the rate prescribed by the Wis. Stats. to be collected upon execution upon judgments. (In lieu of charging such interest the Board may, from time to time, fix areasonable late fee, not to exceed one month's interest, for each month or fraction thereof that such assessment is delinquent), and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for therein by non-use of the Common Elements or abandonment of said Unit Owner's Unit. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without foreclosing or waiving the lien securing the same. If any installment of any annual assessment becomes delinquent, the privilege of paying such assessments in installments shall be terminated, the entire annual assessment for the remainder of the fiscal year shall be considered at once, without further notice, due and payable and shall be considered delinquent. If the delinquent installment is of a special assessment, the entire special assessment, shall be considered at once, without further notice, due and payable and shall be considered delinquent.

## ARTICLE XII ABATEMENT AND ENJOINING OF VIOLATIONS

The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-laws: (a) to enter the Unit in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

## ARTICLE XIII SALE OF UNITS

Section 1. SALES: No Unit Owner may sell said Owner's Unit or any interest therein except by complying with the provisions of this section. A Unit Owner's sale of said Unit Owner's Unit shall include the sale of: (a) the undivided interest in the Common Elements and facilities appurtenant thereto; (b) the interest of such Unit Owner in any Units theretofore acquired by the Association, or its agent, on behalf of all Unit Owners, or the interest of the Unit Owner

in the proceeds of the sale or lease thereof, if any; and (c) the interest of such Unit Owner in any other assets of the Property, hereinafter collectively called the "appurtenant interest".

Section 2. APPROVAL OF PURCHASE: The Association may not purchase a Unit without first obtaining the approval of the majority of Unit Owners present in person or by proxy, at a special meeting called for that purpose.

Section 3. FINANCING OF PURCHASE OF UNITS BY ASSOCIATION: Acquisition of Units by the Association, or its agent, on behalf of all Unit Owners, may be made from the working capital and common charges in the hands of the Board of Directors, or if such funds are insufficient the Board of Directors may levy an assessment against each Unit Owner in proportion to said Unit Owner's ownership in the Common Elements and facilities, as a common charge, which assessment shall be enforceable in the same manner as provided herein. Alternatively, the Association may borrow money to finance the acquisition of such Unit; provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit to be acquired by the Association.

Section 4. WAIVER OF RIGHT OF PARTITION WITH RESPECT TO UNITS ACQUIRED BY ASSOCIATION: In the event that a Unit shall be acquired by the Association or its agent on behalf of all Unit Owners as tenants-in-common all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 5. PAYMENT OF ASSESSMENTS: No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease said Unit Owner's Unit unless and until said Unit Owner shall have paid in full to the Association all unpaid common and special charges theretofore assessed by the Board of Directors against said Unit Owner's Unit, plus accrued interest, and until said Unit Owner shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 6. NOTIFICATION OF CONVEYANCE: Within five (5) days after a sale, transfer or conveyance (by land contract, mortgage or otherwise) of any legal or equitable interest in a Unit, the purchaser or mortgagee shall deliver notice to the Association stating: (a) the date of the conveyance; (b) the Unit; (c) the purchaser's or mortgagee's name and mailing address; and (d) the name and address of the Designee of such purchaser, if any; and (e) any other information as may be required under the Condominium Documents or as may be reasonably requested by the Board.

## ARTICLE XIV CONFLICTS

These By-Laws are set forth to comply with the requirements of the Wisconsin Condominium Unit Ownership Act. In case there is any conflict between the provisions of these By-Laws, the Act, the Declaration, the Plat or the Articles, the following shall apply:

- (a) The provisions of the Act control over the provisions of the Declaration, the Plat, and the By-Laws;
- (b) The provision of the Declaration control over the provisions of the Plat, the By-Laws and the Articles;
- (c) The provisions of the Plat control over the provisions of the By-Laws and the Articles;
- (d) The provisions of the Articles control over the provisions of these By-Laws.

## ARTICLE XV AMENDMENTS

These By-Laws may be amended, altered or replaced by an instrument (i) signed by Declarant alone at any time prior to the conveyance of twenty-five (25%) percent of the Units, provided, however, that such amendment shall not substantially alter any of the rights or obligations of the Owners and/or Members and (ii) thereafter, at any meeting of the members, called for such purpose, in the manner required by law at the time of the Amendment. As of the date of the formation of the Association, Sec. 703.10(5), Wis. Stats., provides that the By-Laws may be amended by the affirmative vote of Unit Owners having sixty-seven percent (67%) or more of the votes in the Association.

Notwithstanding the foregoing, no amendment, repeal or alteration of these By-Laws shall alter or abrogate the rights of Declarant as contained in these By-Laws.

#### ARTICLE XVI FISCAL YEAR

The fiscal year of the corporation shall be the annual periods beginning January 1st and ending December 31st, or such other fiscal year as the Board of Directors may, from time to time, designate.

#### ARTICLE XVII TRANSFER FEE

The Condominium Association may charge a reasonable fee to a Unit Owner upon the sale of a Unit. This fee may be determined from time to time by the Board of Directors of the condominium Association as a part of the rules and regulations. The transfer fee shall not be charge on initial sales by the Developer.

## ARTICLE XVIII MISCELLANEOUS

Section 1. CORPORATE SEAL: The Association shall not have a seal; and where a seal is required, there may be a notation thereon to the effect that the Association has no seal.

Section 2. NUMBER AND GENDER: Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

## ARTICLES OF INCORPORATION

#### <u>OF</u>

## FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC.

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#### ARTICLES OF **INCORPORATION OF** FOREST RIDGE CONDOMINIUMS **OF SAUKVILLE** OWNERS ASSOCIATION, INC.

2003 OCT 22 AM 9: 27

Executed by the undersigned for the purpose of forming a Wisconsin corporation under Chapter 181 of the Wisconsin Statutes, WITHOUT STOCK AND NOT FOR PROFIT.

The undersigned, being an adult resident of the State of Wisconsin acting as incorporator under the Wisconsin Nonstock Corporation Law, Chapter 181 of Wisconsin Statutes, adopts the following Articles of Incorporation:

#### ARTICLE 1 Name

The name of the Association is FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC.

#### ARTICLE 2 Period of Existence

The period of existence shall be perpetual.

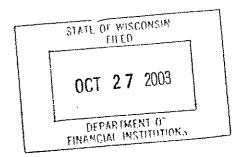
ARTICLE 3 <u>Definitions</u>

The Undersigned hereby adopts and incorporates herein by reference as though fully set forth herein at length, the "Definitions" as set forth in Section 703.02, Wis. Stats. (1993-94).

#### ARTICLE 4 **Purposes**

The purposes shall be as follows:

- To provide for maintenance, preservation and architectural control of the Common Elements including but not limited (a) to the meadow plantings in the storm water treatment areas which are to be constructed, all within that certain tract of property located in the Village of Saukville; Ozaukee County, Wisconsin and specifically described in Exhibit A attached hereto and incorporated herein; and to promote the health, safety and welfare of the occupant within said property;
- To fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of (b) the Declaration of Condominium Ownership; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;



Return To: Richard A. Rechlicz, Esq. Ladewig, Rechlicz & Iggens N88 W15125 Main Street Menomonee Falls, WI 53051

- (c) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, rent, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (d) To exercise all of the powers and privileges and to perform all of the duties and obligations of this Association as set forth in said Declaration of Condominium Ownership which is to be recorded in the office of the Register of Deeds for Ozaukee County, Wisconsin;
- (e) To serve as an association of unit owners who own real estate and improvements under the condominium form of use and ownership (such real estate and improvements hereinafter sometimes referred to as "condominium property"), as provided in the Condominium Ownership Act under the laws of the State of Wisconsin and subject to the terms and conditions of the Condominium Declaration for FOREST RIDGE CONDOMINIUMS OF SAUKVILLE, as recorded in the Office of the Register of Deeds for Ozaukee County, Wisconsin (hereinafter referred to as "Declaration"):
- (f) To borrow money, and with the assent of seventy-five percent (75%) of voting members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (g) To dedicate, sell or transfer all or any part of the Common Elements to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by all of the Unit Owners and their Mortgagees, where applicable, pursuant to Section 703.13(4), Wis. Stats.
- (h) To participate in mergers and consolidations with other unincorporated associations or nonprofit corporations organized for the same purposes provided that any such merger or consolidation shall have the assent of seventy-five percent (75%) of voting members;
- (i) To engage in lawful activity within the purposes for which a nonstock, non-profit corporation may be organized and to have and to exercise any and all powers, rights and privileges a Wisconsin nonstock, non-profit corporation may now or hereafter have or exercise, all under Chapter 181, <u>Wis. Stats.</u>

## ARTICLE 5 Members

The corporation shall initially have two classes of voting membership. The designation of such classes, and the respective rights and qualifications of the two classes of membership shall be as set forth in the By-Laws of the corporation. The corporation may, as set forth in the By-Laws of the corporation, issue certificates evidencing membership in the corporation.

Every Owner of a Unit shall be entitled and required to be a member of the Association. If title to a Unit is held by more than one person, each of such persons shall be members. An Owner of more than one Unit shall be entitled to one membership for each such Unit owned by him. Each such membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically by conveyance of that Unit. No person or entity other than an Owner of a Unit or Declarant may be a member of the Association, and membership in the Association may not be transferred except in connection with the transfer of title to a Unit; provided, however, that the rights of voting may be assigned to a Mortgagee as further security for a loan secured by a mortgage on a Unit.

## ARTICLE 6 Powers

The corporation shall have all of the powers of a nonstock corporation as presently enumerated in the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes and all powers of an association, absolute and conditional, as presently enumerated in the Condominium Ownership Act, Chapter 703 of the Wisconsin Statutes and as statutes may be hereafter amended.

# ARTICLE 7 Principal Office and Registered Agent

The location of the initial principal office of the corporation shall be W178N9912 Rivercrest Drive, Suite 101; Germantown, Wisconsin 53022, and the initial registered agent at such address shall be JBJDEVELOP, Limited Partnership.

## ARTICLE 8 <u>Directors</u>

The number of Directors of the corporation shall be as fixed in the By-Laws but in no event shall be less than three (3), who need not be members of the Association. The manner in which directors shall be elected, appointed or removed shall be provided in the By-Laws.

# ARTICLE 9 Names and address of initial Board of Directors

Theresa M. Weitermann Brian J. Bence Scott J. Bence

W178 N9912 Rivercrest Drive, Suite 101; Germantown, WI 53022 W178 N9912 Rivercrest Drive, Suite 101; Germantown, WI 53022 W178 N9912 Rivercrest Drive, Suite 101; Germantown, WI 53022

#### ARTICLE 10 Voting Rights

All Owners of a Unit shall be entitled to one (1) vote for each Unit owned. When more than one person holds an interest in any Unit the vote for such Unit shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any Unit. Vote shall not be cast as split or fractional votes. Prior to the time of any meeting at which a vote is to be taken, all co-owners shall file the name of the voting co-owner with the Secretary of the Association in order to be entitled to a vote at such meeting, unless such co-owners have filed a general voting authority with the Secretary applicable to all votes until rescinded.

The Declarant shall be entitled to two (2) votes for each Unit owned; provided, however, that notwithstanding the foregoing provisions for voting, the Declarant shall have sufficient votes to constitute amajority of votes until all its Units are sold; provided, further, that Declarant's control shall cease three (3) years after the first Unit is conveyed to a purchaser other than the Declarant, or thirty (30) days after the conveyance of seventy-five percent (75%) of the Units, whichever time is earlier.

## ARTICLE 11 Stock, Dividends, Dissolution

The Association may be dissolved with the assent of seventy-five percent (75%) of the votes as provided in "Voting Rights" above. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be

dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

The corporation shall not have or issue shares of stock, no dividend shall ever be paid to members of the Association, and no part of the assets or surplus of the corporation shall be distributed to its members, directors or officers, except upon dissolution of the corporation. The corporation may pay compensation in reasonable amounts to employees, members, directors or officers for services rendered, except as limited in the By-Laws, and may confer benefits upon its members in conformity with its purpose.

## ARTICLE 12 Amendment

These articles may be amended in the manner authorized by law at the time of amendment.

ARTICLE 13
Name and Address of Incorporator

The name and address of the incorporator is:

NAME

**ADDRESS** 

Theresa M. Weitermann

W178 W9912 Rivercrest Drive, Suite 101

Germantown, WI 53022

Executed in duplicate on the 21st day of October, 2003.

All incorporators

SIGN HERE

i neresa M. Weitermann

Signature of Theresa M. Weitermann authenticated this 215t day of October, 2002

Richard A. Rechlicz

Member, State Bar of Wisconsin

State Bar No. 1016926

This Document Was Drafted By:

LADEWIG, RECHLICZ & IGGENS Attorney Richard A. Rechlicz N88 W15125 Main Street Menomonee Falls, WI 53051 (262) 251-2245

#### Exhibit A

## Legal Description

Lot 2 of Certified Survey Map No. 3380 as recorded September 18, 2002 at 10:15 a.m. in the Office of the Register of Deeds in and for Ozaukee County, Wisconsin in Volume 24 of Certified Survey Maps on page 11 as Document No. 721604, and being part of the Government Lots 3 and 4 of the Southeast Quarter of Section 35, T.11N., R.21E., Village of Saukville, Ozaukee County, Wisconsin.

Tax Key No. 11-040-0005-000

## PROJECTED BUDGET FOR FOREST RIDGE CONDOMINIUMS OF SAUKVILLE OWNERS ASSOCIATION, INC.

Lawn/Snow Care & Salting Common Electricity Common Sewer/Water Insurance Legal & Accounting & Office Expense Management Fee Maintenance, repairs, supplies, bulb replacement Asphalt Seal coating-driveways & Forest Ridge Court Trash Service Maintenance related to wetland areas	Budget \$15,000 \$3,000 \$2,852 \$14,473 \$1,000 \$2,250 \$3,500 \$1,305 \$2,520 \$0
Maintenance related to wetland areas  Maintenance related to private sewer/water system  Reserve	\$0 \$0 \$4,500
Total Expenses	\$50,400
Dues per month per unit (30 units)	\$140

The foregoing projected budget is based on the Declarant's assessment of the costs and expenses to be incurred by the Association as of the date of drafting. This assessment is based on costs and expenses, where available, and on the Declarant's assessment estimates where information is not available. In Declarant's opinion the proposed budget is reasonable and adequate, under existing circumstances, and the estimated annual assessment will be sufficient to meet the normal anticipated operating expense of the Association in its initial year of operation. However, because of the possibility of unforeseen changes in the economy, or increases or decreases in the expenses of operation, this projected budget is not intended to be a representation, guarantee or warranty of any kind whatsoever or an assurance that the actual expenses and income of the Association for any period of operation may not vary from the amounts shown in the projected budge or that the Association may not incur additional expenses, or that the annual assessment for any period may not vary from the amount shown in this projected budget. The Association's Board of Directors may provide for reserves not reflected in this budget. It may be expected, based on current trends, that such items as maintenance, repair, labor, insurance premiums and other related expenses will change in the future.

Based on the projected budget, the estimated assessment per Unit is \$ 1,680.00 payable in monthly installments of \$ 140.00

## Forest Ridge Condominiums of Saukville

W178 N9912 Rivercrest Drive Suite 101 Germantown, WI 53022

Phone: 262-255-1800 Fax: 262-255-2234

#### \$140.00 per month Association Fee includes:

- Lawn Maintenance (Mow/Fertilize/Weed Control/Pruning)
- Snow Removal
- Exterior Building Maintenance and repair
- Sign maintenance
- Exterior lighting electric and maintenance
- Trash Removal
- Insurance (Building and grounds excluding contents which should be obtained by individual owners)
- Maintenance of private road and driveways
- Maintenance of private sewer/water system for the condominiums
- Sewer/Water usage for common areas (watering)
- Reserve for future capital repairs/improvements
- Legal and accounting and office expenses
- Professional management

Please refer to the Forest Ridge Condominium disclosure documents for complete details of the association requirements.

Budget as of January 1, 2004. The foregoing projected budget is based on an estimate of costs and expenses as of the date of drafting. The projected budget is not intended to be a representation, guarantee or warranty of any kind whatsoever or an assurance that the actual expenses may not vary from the amounts shown. It may be expected, based on current trends, that such items such as maintenance, repair, labor, insurance premiums and other related expenses will change in the future.

# MAINTENANCE CONTRACTS FOR FOREST RIDGE CONDOMINIUMS OF SAUKVILLE

January 31, 2003

Mr. Scott Bence JBJ Development W178 N9912 Rivercrest Dr., Suite 101 Germantown, WI 53022

Subject:

Maintenance Plan for Meadow Plantings

Forest Ridge Condominiums

Saukville, Wisconsin

Cedarburg Science, LLC Project #FRC-0205-2003-01

Dear Mr. Bence:

Cedarburg Science, LLC is pleased to submit this maintenance plan for the meadow plantings in the stormwater treatment areas to be constructed at your Forest Ridge Condominium site. The proposed project is located within the SE ½ of Section 35, Township 11 North, Range 21 East in the village of Saukville, Ozaukee County, Wisconsin.

South Main Street forms the eastern property boundary, while the Chicago, Milwaukee, St. Paul & Pacific Railroad forms the western boundary of the property. Residential land binds the property to the north and the south.

The purpose of this maintenance plan is to provide recommendations for promoting the health and survival of the meadow plantings on the property and maintaining a diverse vegetative community in those areas. By following the guidelines outlined below, the meadow communities will continue to perform their stormwater treatment functions and maintain a high level of water quality on the site.



#### MAINTENANCE FOR MEADOW PLANTINGS

It is our understanding that native meadow plantings are desired and planned for the stormwater treatment areas. The stormwater treatment best management practices (BMPs) on the Forest Ridge Condominium site include a bio-swale and two dry detention basins. Stormwater runoff from the developed portions of the site will be directed through the bio-swale or culverts to the dry detention basins.

It is in the bio-swale and the detention basins that the native meadow plantings will be located. The dense vegetation in these areas serves to slow surface water run-off, helping to improve water quality. The reduction in water velocity allows suspended sediments to settle out and helps to filter contaminants before they can enter the water supply. These areas also assist in flood attenuation, providing a basin for floodwater storage. Additionally, the vegetation absorbs much of the water and nutrients. By temporarily trapping some water, the detention areas allow some infiltration of water into the ground prior to running directly into the adjacent roadside ditch.

The management guidelines for the meadow plantings in the stormwater treatment areas are much the same as those for natural communities containing hydrophytic vegetation. Among the most important aspects of maintaining healthy meadow plantings on the Forest Ridge Condominium site will be monitoring and controlling invasive species. Additional information on the control of invasive plant species can be found in the Wisconsin Department of Natural Resources' "Wisconsin Manual of Control Recommendations for Ecologically Invasive Plants," publication #ER-090 97.

Monitoring of the plantings in the stormwater treatment areas should be performed several times during the growing season (between April and October) and after periods of heavy rainfall. When monitoring, attention should be given to the condition of the existing vegetation, the presence/absence of invasive species, and the amount of sediment build-up. If any bare spots resulting from erosion or germination failure are noted, they should be re-seeded to establish a complete vegetative cover, using the same meadow seed mix to be used during the construction of the stormwater meadows.

Maintenance and management of the meadow communities should focus on establishing and maintaining vegetative diversity. Controlling invasive species will be a crucial step in maintaining the functional performance of the planted meadow areas. Two invasive plant species that will likely pose



a threat to the success of the native meadow plantings are reed canary grass (*Phalaris arundinac*ea) and Canada thistle (*Cirsium arvense*). Populations of both species currently exist on the property.

Reed canary grass was observed in the western portions of the Forest Ridge Condominium site. Although this exotic species is not currently present in the area where the meadows are to be constructed, it can be expected that this aggressive species would soon invade these areas if measures are not taken to minimize its ability to disperse into these areas. If possible, control of this species should begin before the meadows are constructed.

Reed canary grass forms a dense sod layer, inhibiting the growth and survival of most native forbs, grasses, and sedges. Due to its aggressive nature, it is a long-term management concern. Although a variety of techniques are available for managing this species, they are not all feasible for the Forest Ridge Condominium site. The control methods that will promote both the management of reed canary grass and the survival of the meadow plantings on this property are selective cutting, hand pulling, and herbiciding.



Reed canary grass

Management of reed canary grass should be implemented as soon as this invasive species is observed in the planted meadow areas.

Control efforts are much easier and less time-consuming if performed before reed canary grass becomes established. Once reed canary grass established, it is very difficult to manage and eradicate from infested areas and much larger-scale management efforts would be necessary.

Mechanical control methods, such as selective cutting and hand pulling, are often effective for isolated individual plants or small stands of this species. Small patches of reed canary grass can be cut and covered with black plastic for at least one growing season. After the plastic is removed, the area should be re-planted with a native seed mix. This management tool should be implemented prior to reed canary grass flowering in late spring (late-March to early June).

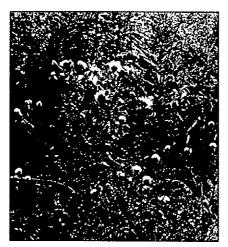
Chemical control is another option; however, care must be taken when applying herbicides so non-targeted species are not affected. A broad-leaf herbicide, such as glyphosate, can be applied to foliage in the early spring (late-March through mid-April) or late fall (mid-October through early-



November). At these times, much of the native vegetation is dormant and the likelihood of impacts to the native species is reduced.

The combination of both mechanical and chemical control methods is the most effective management regime for the Forest Ridge Condominium site. The stems of small patches of reed canary can be tied together and cut off just before flowering (late March to early June), followed by an herbicide application on the cut stems. Additionally, individual plants can be selectively cut and treated with herbicide (prior to flowering), followed by an herbicide treatment 2-3 weeks later to manage resprouts.

Regardless of the method used, native vegetation should be planted in the areas treated after the control measures are completed. If the reed canary becomes well established and the control methods outlined above are no longer successful, additional measures may be required to limit its spread.



Canada thistle

Another invasive species present on the site is Canada thistle. A population of this species occurs within a reed-canary dominated area in the southwest corner of the property, immediately east of the navigable tributary. While this species does not typically invade wetter areas, it can decrease the vegetative diversity around the perimeters of the meadows planted in the stormwater treatment areas.

Although Canada thistle does not pose a threat to high quality habitats, it can greatly reduce species diversity in disturbed areas. The native meadow species planted could be out-competed by

Canada thistle if it is not controlled. If possible, this species should be controlled on the Forest Ridge Condominium site prior to any restoration work.

Mechanical control of Canada thistle is favored over chemical control in natural areas, as the chemicals used for this species are non-selective and will damage the native vegetation. As with reed canary grass, several of the methods available for controlling this species are not practical on this site.

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Selective cutting should be performed during the growing season at the early bud stage, when food reserves are at their lowest (late June to early July). If cutting is executed more than eight days after flowering, the plants should be bagged and removed from the site. For light to moderate infestations hand pulling and selective cutting should be done at least three times during the growing season. These control measures should be conducted for at least 3 to 4 years to ensure proper control of this species. Spot treatment with the amine formulation of 2,4-D on cut stems can be an effective supplemental control measure as well. As mentioned previously, care should be taken when applying herbicide in high-quality natural areas.

In addition to the invasive species known to occur on the site, the meadow plantings at the Forest Ridge Condominium site should also be monitored for the other invasive species, including purple loosestrife (*Lythrum salicaria*), common reed (*Phragmites australis*), common buckthorn (*Rhamnus cathartica*), honeysuckles (*Lonicera* spp.), and other woody vegetation. If woody vegetation begins to encroach on the meadow plantings, it should be controlled with selective cutting.

Since the meadow plantings in the stormwater treatment areas on the Forest Ridge Condominium site are intended to assist in maintaining water quality by trapping sediments and contaminants, they should be monitored for sediment build up. It may be necessary to periodically remove sediment and/or debris from these areas to ensure maximal benefits from the system. If the sediment is allowed to build up, it may compromise the health and survival of the vegetation, leading to improper function of the meadow. Disturbance by sediment build-up promotes aggressive invasion by exotics, particularly reed canary grass.

Raking the sediment and debris out of these areas periodically will prevent major build-up of materials that might otherwise decrease the vegetative biodiversity in these areas and degrade the health of the vegetative communities. It may be necessary to replant the raked areas with the same seed mix used during the initial planting of the meadows.

E-6



#### CONCLUSION

Cedarburg Science is pleased to provide this maintenance plan for the meadow plantings in the stormwater treatment areas on the Forest Ridge Condominium site. This plan provides recommendations that will ensure vegetative diversity and quality in these areas. A primary management focus to ensure vegetative diversity is the control of reed canary grass and Canada thistle. Through a combination of selective cutting and spot herbicide treatments, these the establishment of these species can be effectively prevented.

Monitoring and controlling the spread of invasive species in the meadow areas will ensure that the plantings intended for stormwater treatment BMPs will be a successful investment. The maintenance of a healthy vegetative community will ensure the long-term function of these areas for improving water quality on the site.

We appreciate the opportunity to assist you on this project. If you have any questions regarding this plan or require further assistance, please call Mike Grisar at (262) 994-0735, or Ginny Plumeau at (262) 376-0735.

Sincerely,

CEDARBURG SCIENCE, LLC

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